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24 October 1983

# West Europe Report

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## CONTENTS

## THEATER FORCES

## EUROPEAN AFFAIRS

- Arbatov on Balance of Forces, Arms Negotiations  
(Georgiy Arbatov Interview; POLITIQUE ETRANGERE, No 1, 1983) 1

## NORWAY

- Author of 'Soviet Republic of Norway' on Peace Groups' Aims  
(AFTENPOSTEN, 13 Sep 83) ..... 6
- Johan Jorgen Holst Urges U.S. To Get SS-20's Reduced  
(Johan Jorgen Holst; AFTENPOSTEN, 17 Sep 83) ..... 8
- Former Foreign Minister Frydenlund Backs Reagan on TF Talks  
(Lars Hellberg; AFTENPOSTEN, 16 Sep 83) ..... 11

## TERRORISM

## ITALY

- MAS Strategy, Activities Toward Sardinian Separatism  
(Giovanni Maria Bellu; L'ESPRESSO, 4 Sep 83) ..... 13
- Red Brigade Link With Peru's Traffickers, Shining Path Viewed  
(OIGA, 19 Sep 83) ..... 17

## ENERGY ECONOMICS

## GREECE

- Ninety-Day Oil Reserves Questioned; Official Reply  
(I KATHIMERINI, 15 Sep 83) ..... 22

Kyklades Electricity From Geothermal Energy (TA NEA, 5 Sep 83) .....	24
---	----

## ECONOMIC

### FEDERAL REPUBLIC OF GERMANY

Study of Future of Automobile Market (Harald Posny; DIE WELT, 7 Sep 83) .....	25
--	----

### GREECE

Bank of Greece Signs Bond Loan With Japan (I KATHIMERINI, 15 Sep 83) .....	27
---	----

### SPAIN

Status Report on Andalusia Land Reform Conundrum (Carlos de Miguel; ABC, 22 Sep 83) .....	28
--	----

Government Backs Off Pressuring Unions at Sagunto (EL PAIS, 23 Sep 83) .....	33
---	----

Mill Should Remain Inoperative  
Future of AHM Directorate  
INI Agrees to Rescind, by Felix Monteiro

### TURKEY

Expropriation of Public, Worker Companies Speculated (Azmi Erdem; DUNYA, 18 Aug 83) .....	38
--	----

SPO's Akturk Sums Up Economic Course in Resignation Speech (CUMHURIYET, 17 Sep 83) .....	42
---	----

Turkish Banks Accelerate Foreign Branch Drive (DUNYA, 17 Sep 83) .....	44
---	----

EBSO Head on Industrial Assets, Markets, Main Aegean Firms (CUMHURIYET, 13 Sep 83) .....	46
---	----

DESIYAB Efforts To Focus on Aggregate Companies (CUMHURIYET, 13 Sep 83) .....	48
--	----

Growth, Export, Import Targets for Coming Year (DUNYA, 8 Sep 83) .....	50
---	----

Examination of Stagnancy in Turkish-EEC Relations (DUNYA, 8 Sep 83) .....	51
--	----

Kafaoglu on Foreign Trade Deficit, Loan Interest (DUNYA, 8 Sep 83) .....	53
Turkiye Is Bankasi Opens London Branch (DUNYA, 8 Sep 83) .....	55
Barlas Eyes Indivisibility of Political, Economic Stability Order (Mehmet Barlas; MILLIYET, 13 Sep 83) .....	56
Top Monetary Officials Express Steady Economic Policy (CUMHURIYET, 13 Sep 83) .....	58

## POLITICAL

### FEDERAL REPUBLIC OF GERMANY

U.S. Army Employee Accused of Espionage for GDR (DER SPIEGEL, 19 Sep 83) .....	60
UN Commissioner Criticizes Refugee Policy (A. B. Levy; LIBERATION, 17-18 Sep 83) .....	64

### FRANCE

National Front's Stirbois on Immigrants, Election (Jean-Pierre Stirbois Interview; LE VIF, 22 Sep 83) ....	67
---	----

### GREECE

PASOK Seen Avoiding Definition of Principles, Ideology (ANDI, 2 Sep 83) .....	70
Country Seen Poisoned by PASOK Anti-West Stance (I VRADYNI, 5 Sep 83) .....	72
Refusal To Request Loan From IMF Viewed Politically (Editorial; I KATHIMERINI, 11-12 Sep 83) .....	74
ND's System of 'Checks and Balances' Seen Harmful (TO VIMA TIS KYRIAKIS, 4 Sep 83) .....	76

### SPAIN

Comment Focuses on Key Issues for 1984 Catalan Election (EL PAIS, 1 Oct 83) .....	81
--	----

### TURKEY

TCP-CC Assessment of National, Party Situation (ISCININ SESI, 1 Aug 83) .....	83
--	----

Junta Seen Unable To Keep Class Ferment Under Wraps (C. Kosan; ISCININ SESI, 15 Aug 83) .....	98
--	----

## MILITARY

### ITALY

Polemics Surrounding Defense Budget Cuts (Vittorio Scutti; L'ESPRESSO, 4 Sep 83) .....	101
---	-----

### NETHERLANDS

Views of Defense State Secretary Hoekzema on Cuts (W. G. J. Bavelaar; ELSEVIERS MAGAZINE, 3 Sep 83) .....	103
--	-----

### SWEDEN

Government Approves Training of Danish, Norwegian Pilots (Ingemar Loftren; DAGENS NYHETER, 17 Sep 83) .....	107
--	-----

Restrictions on Paying Overtime Affects Sub Hunting (DAGENS NYHETER, 22 Sep 83) .....	109
--	-----

Paper Demands Changing Rules on Overtime for Sub Hunters (Editorial, Carin Stenstrom; DAGENS NYHETER, 23 Sep 83)	110
---	-----

### TURKEY

Ankara Selects F-16 for Coproduction With United States (Sedat Ergin; CUMHURIYET, 8 Sep 83) .....	111
--	-----

## ARBATOV ON BALANCE OF FORCES, ARMS NEGOTIATIONS

Paris POLITIQUE ETRANGERE in French No 1, 1983 pp 21-26

[Interview with Georgiy Arbatov, director of the United States and Canada Institute of the USSR Academy of Science, by Dominique Moisi; time and location of interview not specified]

[Text] Dominique Moisi: In an interview with DIE STERN, President Mitterrand stated, "I believe the Soviet Union has supremacy in Europe, and I consider this a real danger." What do you think about that?

Georgiy Arbatov: I don't know whether I can say what I think about the president's statement, but it is hard for me to imagine that he doesn't have data showing that this version of the military supremacy of the USSR doesn't correspond to the reality.

Above all, this is related to the general balance of forces. In planning for its defense, the Soviet Union has to consider, as possible potential adversaries at least, the United States, their European allies and Japan, which is allied with the United States. As far as indices like the gross national product or population are concerned, we yield for the most part to those combined countries. We also have fewer armed forces, even if we add those of our allies.

Nor do we have supremacy in the principal components of the armed forces, nuclear or conventional.

It is impossible not to be aware of all this, when speaking of Europe in concrete terms, too. It is hard to imagine that an armed conflict between West and East, even if it broke out in Europe, would remain localized on the continent. This being the case, it is therefore impossible not to take into consideration a broader balance of forces in evaluating the situation in Europe.

Let's look now at Europe in concrete terms. According to all of the existing data, a military-strategic balance has been created there, in the area of nuclear as well as conventional armaments. If you are talking about nuclear armaments, according to Soviet estimates approximate parity exists in medium-range missiles (missiles and airplanes) and, as far as numbers of tactical nuclear weapons is concerned, the advantage is on the side of the United States and NATO, which is also acknowledged by Western sources. But as a general rule, Western data do not take into account either nuclear weapons carried by airplanes or the nuclear weapons of the other NATO members outside of the



United States, or both. It is only for these reasons that, according to those data, the USSR turns out to possess supremacy in the area of medium-range missiles. But even according to Western data, if you take into account all of the nuclear weapons in Europe, the USSR doesn't have supremacy; on the contrary, it is NATO that has a certain advantage. If you refer to the data from the International Institute for Strategic Studies in London ("Military Balance, 1981-1982"), the tabulation of the total number of active armed forces in Europe is as follows (in thousands of men): Warsaw Treaty 4,788, NATO 4,933; numbers of ground forces only in Europe: Warsaw Treaty 1,669, NATO 2,133. According to all of the sources consulted (including the ones that exaggerate excessively the Soviet military expenditures), NATO is spending more than the Warsaw Pact on military needs.

What, then, is this military supremacy the president talks about?

Obviously, there are asymmetries in the existing parity. But they are balanced on the whole, because if they weren't the West would long ago have taken measures to reestablish parity. Conclusion: there is no reason to speak of USSR "supremacy" in Europe. Honestly, I even think that we in the Soviet Union are being generous when we speak of parity.

It seems to me that what has been needed for a long time is to at least fill in the unwarranted assertions about USSR military supremacy with irrefutable proof (what didn't we hear after the war--bomber gap and missile gap and a multitude of other gaps).

Then there would be an area for serious discussion, and if it really turns out that there is a dangerous nonconformity somewhere, mutually acceptable solutions could be found. The rhetorical exercises that are such a habit with many Western countries and are meant to scare the philistines and obtain additional billions for armaments can't be useful to anyone.

Dominique Moisi: What is your overall judgment on France's foreign policy since the Socialists and Communists came to power?

Georgiy Arbatov: I am not a specialist on France, but concerning the coming to power of the Socialists and Communists, I don't think the words exactly express the nature of the situation in the government and the character of your country's foreign policy. But to answer your question, I must say sincerely that I expected from the present government a stronger contribution to peace, détente and disarmament. But maybe it is still to come?

Dominique Moisi: The dialogue between the United States and the USSR seems to be resuming. Do you think the recent American proposals are likely to further the progress of the strategic negotiations now going on?

Georgiy Arbatov: For my part, unfortunately, I don't see any signs showing that the dialogue has been resumed. The United States' recent proposals on reduction of strategic weapons (and also the "zero option" proposal for medium-range weapons) can't further the negotiations...Moreover, it seems to me that they are not pursuing that objective...To tell the truth, those proposals were made precisely because they are well known to be unacceptable to the Soviet

Union. Their real objective is to calm public opinion in Europe and the United States, given the fact that the fear aroused by intensifying the threat of nuclear war has engendered a vast antimilitaristic movement. The present leaders in Washington fear that movement; they fear it, insofar as I am able to judge, even more than war. (By the way, who among them has ever seen a real war?)

At the same time, I think that today you can see that for the United States the propaganda value of these proposals has considerably diminished. To propose and repropose a variant that has obviously created no basis for an agreement, means to have a very poor opinion of the intelligence, not only of the Soviets but even of all Europeans too. By the same token, the United States can only increase suspicion of their intentions, in fact they can only persuade people that Washington isn't thinking the least bit of arms limitation and disarmament, but rather of intensifying the military rivalry. The Americans are wrong, from that point of view, when they blame Soviet propaganda. They have only their own position to blame. It's bad, it's dangerous for everyone. The American government continues to cling to it, and that's a fact no one will be able to escape in 1983.

Dominique Moisi: The quarrel over Euromissiles legitimately dominates East-West relations, but it also dominates West-East relations. Would you accept, as a basis for legitimate compromise to prevent a new arms race, limited deployment in the West of cruise missiles, thus ruling out Pershing missiles, in exchange for an appreciable reduction in SS-20s?

Georgiy Arbatov: We are ready for total, substantial or partial liquidation of medium-range nuclear weapons--as well as tactical weapons--in Europe. But only on the basis of parity and taking into account all of the nuclear forces of the NATO countries on the continent. What you have in mind might violate that principle and in any case would mean that the USSR would reduce its nuclear weapons in Europe while the United States would increase theirs. It would be more likely, if such a "compromise" came to pass, that both parties would be carried along into a new phase of the arms race: ground-based cruise missiles. (Yuriy Andropov, the secretary general of the Central Committee of the PCUS [Communist Party of the Soviet Union], has already said that if the United States deployed them the USSR would do the same.) I really don't see what connection this would have with arms limitation and reduction, with ending the race (and that's what they're talking about in the negotiations).

Dominique Moisi: Beyond the quarrel over the Euromissiles, how do you envisage the development of the process of security and cooperation in Europe?

Georgiy Arbatov: In dealing with the development of security and cooperation in Europe, it is hard not to talk about missiles and disarmament in general, the arms race, the mountains of stockpiled weapons, the division of the continent into two camps opposing each other and armed to the teeth; that is what is mainly threatening security and cooperation on our continent. We start with the fact that this confrontation is not normal and that in the future these blocs, or at least their military organizations, must be liquidated.

Those who really desire security and cooperation don't have to invent anything; the road to these objectives has already been drawn up and successfully tested. It is the continuation of the detente that was born in Europe and already has deeper roots in this region than anywhere else. It is also the development of multiform cooperation between Eastern Europe and Western Europe in all spheres. But without military detente, without progress in the area of arms limitation, I doubt if this is possible.

Dominique Moisi: We get the impression we are witnessing a normalization of Sino-Soviet relations. What in your opinion are the bases for this rapprochement, and also what are the main obstacles?

Georgiy Arbatov: To be brief, it seems to me the basis is for each country to have an accurate understanding of its own interests, and a concern for the future. The main obstacle is the past, which has not yet been surmounted.

Dominique Moisi: How are you hoping to combine the requirements of an Afghan government that is at the same time friendly to the USSR and acceptable to the population?

Georgiy Arbatov: I believe any irony on the subject of serious things is out of place. The problem you have just mentioned can be solved right now, I am profoundly convinced of this, it will be enough if a political settlement isn't prevented from outside.

Dominique Moisi: In the Middle East, your "discretion" regarding the war in Lebanon has been noticed. In the conflict between Iraq and Iran you seem to have recently emerged from your self-imposed neutrality, to put the blame on Iraq. Should we see this as a sign of a new policy on the part of the USSR in that region of the world?

Georgiy Arbatov: I am not eager to pass for a specialist on the affairs of all regions of the world, especially on a region as complex as the Middle East. Our policy consists of contributing as much as we can to a peaceful settlement in that region, taking into account the interests of all the countries and all the peoples. I would merely add that the existence of a conflict situation in the Middle East has created a dangerous problem, not only for us but for you as well.

Dominique Moisi: Since 1975 you have increased your interventions in the Third World. What are the basic principles of your policy toward the Third World?

Georgiy Arbatov: We have not "increased" our interference in Third World countries. I'm guessing which countries and events you have in mind: Angola, Ethiopia, Afghanistan. Each case is a concrete situation for which we can furnish concrete explanations (and have done so, many times). But in my opinion, no one in the West is interested in knowing what are explanations are. The West prefers to transform these situations into an object of speculation, as much to denigrate us as to whitewash its own colonial past and its present neo-colonialist practices (and sometimes even armed intervention in Third World countries).

As for our policy in all of the so-called "Third World," we are not seeking raw materials, outlets or military bases there. But that part of the world is not without importance for us. We are showing solidarity with those people's aspirations for freedom, well-being and happiness. We favor the independence, development and progress of countries that have been freed from the colonial yoke.

Dominique Moisi: More than 4 months have gone by since Leonid Brezhnev's death. In your opinion, what changes have taken place in Moscow?

Georgiy Arbatov: It is now obvious to everyone that USSR policy has maintained its continuity. In that sense, it seems to me that we shown once again that, unlike the United States, we are reliable partners who were not trying to initiate relations with other countries by turning to a new page after every change of leadership. As for our domestic affairs, there too everything is taking place with the crises our enemies were counting on. The country is living normally and solving its own problems itself (which all the others should also do).

8946

CSO: 3519/14

AUTHOR OF 'SOVIET REPUBLIC OF NORWAY' ON PEACE GROUPS' AIMS

Oslo AFTENPOSTEN in Norwegian 13 Sep 83 p 3

[Article: "No to NATO Is the Activists' Main Goal"]

[Text] "Slowly but surely are we being prepared by left-ist political powers for the referendum on NATO, which is one of the main factors in my book. Whether that will succeed, I will not elaborate on, but it is now a clear left-wing goal to work towards getting Norway out of NATO. Viewed on a long-term basis, the campaign 'No to Nuclear Weapons' is a no to NATO!" It is Albert Henrik Mohn, the author of the new and controversial book "Soviet Republic of Norway," who says this.

In the book, Albert Henrik Mohn describes how the Soviets will occupy Norway after a referendum on the NATO membership. Sabotage against the oil platforms in the North Sea, KGB espionage against Norway and a power struggle in the Labor Party are the key words in this book full of political ammunition.

"The book describes the consequences that the dangerous course pursued by the Labor Party in security policy can have for Norway," says Mohn, who thinks that this book is the first serious attempt made to analyze the Labor Party security policy. Using the current situation as a point of reference, the book describes the tug-of-war between the party's wings and how the left wing becomes the most important link in the political decision-making process. That is much more dangerous than alien submarines in the Hardanger Fiord, maintains Mohn.

[Question] Mr Mohn, you direct the search light toward some unfavorable sides in our society in a manner that has caused debate. Why has the Labor Party not wanted to participate in that?

[Answer] Because my analysis is very uncomfortable for the situation the Norwegian Labor Party is now in. I think this is one of the main reasons why the Labor Party keeps away. The party's left wing does not at all consist of sympathizers of another country but they are idealists on the wrong track. In order that the Soviet Republic of Norway never comes to be, we

must start a new security policy debate with a point of reference based on the real situation. A side glance at the fate of Afghanistan shows how the Soviet Union treats nonaligned and defenseless neighboring states, says Mohn, who thinks far too many people show too little alertness and have difficulties in understanding the seriousness of the international development. In their apathy, many people follow the systematic left-wing omission of the fact that the United States has saved Europe twice.

[Question] And they do not read these kinds of books?

[Answer] Many cannot stand the stress of reading the fantasy that already has become reality in many countries. For almost 40 years we have lived with war, occupation and high tension at the same time we are trotting along and calling it detente. Before September 1979 nobody believed that the Soviet Union would occupy Afghanistan. We have lulled ourselves in the illusion of peace and friendliness. It dulls the senses and that is why I have written this book. I am talking about a Norwegian Estonia, Lithuania or Latvia or a Norwegian Poland or Czechoslovakia in the years 1945-1948.

[Question] That leads us directly into your depictions of Red Power and concentration camps. Do you think that is realistic, Mr Mohn?

[Answer] Some situations in the book are put in the forefront to rouse people from their lethargy. Many good people do not want to believe in the evil that prevails and face the truth. Therefore perhaps they may be forced to devote some time to such dismal issues that the book turns up. But we have reached a position where the danger elements are so strong that in order for us to survive as a free nation, we must undertake the debate that involves these problems. The question is not whether in reality something like that can happen. The answer is that something like that has already happened. And that has not happened only once, but many times!

"The border states, Estonia, Lithuania and Latvia, were occupied and turned into Soviet republics and all East European states must today obey all orders from Moscow. If they rise up on their hind legs and try to free themselves from the Soviet iron hand, the Soviet troops will come and crush them. Hungary in 1956 and Czechoslovakia in 1968 are proof of that, while the Soviet Union has gotten quislings to do the job in Poland.

"There are still some who do not want to face the real situation and who do not want to see that these injustices are equivalent to an aggressive point of view toward the neighboring countries outside the Soviet state.

"But the Soviet display of friendliness is a myth which once again was crushed as recently as 27 December 1979, the day the Soviet forces crossed the border into Afghanistan.

"If some are still in doubt about the real intentions of the Soviet Union toward its neighboring countries, they should pay more attention to what happens today in this independent and friendly country," states Mohn.

9583

CSO: 3639/172

## JOHAN JORGEN HOLST URGES U.S. TO GET SS-20'S REDUCED

Oslo AFTENPOSTEN in Norwegian 17 Sep 83 p 2

[Article by Johan Jorgen Holst: "Possible Missile Solution"]

[Text] Johan Jorgen Holst is director of the Norwegian Institute of International Affairs and former permanent secretary in the Ministry of Foreign Affairs and the Defense Department. According to Holst, the United States should be prepared to give up deployment of new medium-range missiles if the Soviet Union implements an extensive reduction of their SS-20 missiles.

The negotiations about the limitation of medium-range missiles have now entered the final round. The approach to the problem is clear. It is easy to see where the shoe pinches. But there are different views on how the pinch can be relieved.

The first problem involves the symmetry in an agreement, the division of commitments and rights. The main problem here is that each superpower has the tendency to view the problem primarily from its own mutual competitive situation. Washington will not accept any Soviet monopoly on the right to deploy medium-range missiles. Moscow has difficulties in accepting that the countries in Western Europe have just as much right as does the Soviet Union to be concerned when it comes to the possibilities of nuclear attack. A prerequisite for a compromise is that both parties contribute to the reduction of the missile threat against Europe. That is what the problem is, not the symmetry of U.S. and Soviet rights. Consequently, the United States should be willing to give up any deployment of new medium-range missiles if the Soviet Union implements extensive reduction of the SS-20 missiles.

The other problem involves the British and French nuclear weapon strength. The issue is primarily of a political nature. The Soviet Union rightly claims that it is impossible to overlook the existence of these weapons and that they are directed toward targets in the Soviet Union. The Soviet Union has, however, a large number of aircraft and missiles that can threaten targets in Western Europe as well as targets in Great Britain and France. The United States claims, with just as much right, that the two superpowers

cannot negotiate about British and French forces or allow each other any actual supervision right or compensation right over them. Moscow and Washington must negotiate limitations of Soviet and U.S. weapons. A compromise probably will require some kind of tacit compensation without an explicit link-up with the British and French forces. Thus Moscow is hardly eager for the Americans to be able to grant any rights to increase the number of SS-20 missiles in step with the buildup of British and French forces.

The third problem involves missiles that are deployed east of 80° East in the Soviet Union. The United States claims that these missiles must be reduced, otherwise Moscow will quickly be able to move them within range of Europe. It is not possible either to buy security for Europe at the cost of the countries in Asia. Moscow claims that the limitations of deployment in Siberia require corresponding limitations with regard to weapons that can threaten the Soviet Union from other countries in Asia. A compromise will probably have to build on the permanent freezing of medium-range missiles outside the approved reduction area. This will bind both parties and also probably prevent deployment of long-range cruise missiles on ships.

The negotiations must aim at down-building the forces. The Soviet Union was for a long time unwilling to agree to destroy the SS-20 missiles. The United States wants guarantees that the missiles are not only moved eastwards; the missiles themselves must be destroyed and not only the launching pads, as the pads can be reloaded to fire more missiles. An agreement requires that the Soviets confirm Andropov's statement that the SS-20 missiles which will possibly be removed will be destroyed.

The fourth problem has to do with the relationship among the three problems mentioned above. Both parties are busy securing equal rights but formulate their demands differently. The British and French nuclear weapon forces consist mainly of systems, that is, missiles located on submarines, which are considered strategic in the negotiations between the United States and Soviet Union. General limitations require a global rather than European frame limit. A possible compromise, which can form the basis for an agreement, could cover the following elements: (1) In connection with entering into provisional agreement on medium-range missiles, the parties will agree on conducting further negotiations with the aim of reaching unity on a permanent joint agreement on strategic weapons and medium-range weapons. Such an agreement must include equal efforts for the total weapon strength on both sides. (2) Such a joint agreement must take into account the existence of a third country's nuclear weapon strength. During later phases, a third country can be invited to participate in the negotiations on multilateral strength limitations. (3) NATO gives up the deployment of new medium-range missiles in Europe, and the Soviet Union reduces the number of SS-20 missiles west of 80° East to 6 regiments with 54 missiles. These missiles will have 162 warheads, which corresponds to British and French strength (but this connection will not be mentioned in the agreement). (4) The parties agree on freezing the deployment of medium-range missiles outside the reduction area. Such an agreement will bring the medium-range missiles within fixed-frame limit. That will confirm the demand on equality of total forces and it will include a compromise about



the French and British nuclear weapons which guards Soviet military needs and Western political interests. This suggested agreement is sufficiently simple to be able to be entered into in a short time, and it opens up the door for a further process which can involve a more comprehensive adjustment and reduction of nuclear weapons. In addition, it will be necessary to protect against any loopholes in the agreement, for example, a forward deployment of nuclear weapons systems with a shorter range than the medium-range missiles.

Here NATO could contribute to increased confidence by approving a unilateral reduction of nuclear battlefield weapons, for example, 50 percent of the current arsenal. The fall will show whether the parties are prepared to turn the development or lock themselves tight in continued confrontations.

9583

CSO: 3629/172

## FORMER FOREIGN MINISTER FRYDENLUND BACKS REAGAN ON TF TALKS

Oslo AFTENPOSTEN in Norwegian 16 Sep 83 p 5

[Article by Correspondent Lars Hellberg: "Frydenlund Has Faith in Reagan's Negotiations Intentions"]

[Text] Washington, 14 September. "President Reagan's handling of the Korean passenger jet is a sign that he wants results in the Geneva talks on the medium-range missiles on European soil," says the chairman of the Stortinget's Defense Committee, Knut Frydenlund (Labor Party). During the Defense Committee's visit to Washington, spokesmen for U.S. foreign affairs have put great emphasis on stressing that the United States wants and intensively works toward obtaining a solution in Geneva. It has been pointed out from the American side that it would be the easiest thing in the world for Reagan to close the door on further negotiations in Geneva with regard to the downing of the plane.

To the question of how he himself views the situation, Frydenlund answers by referring to a leading article in ARBEIDERBLADET in which Reagan is praised for statesmanlike conduct. This despite the fact that earlier Frydenlund had had his doubts about Reagan's negotiations intentions.

[Question] But is it Reagan who suddenly has become a statesman or is it the European critics who have discovered that there is more to him than one has been inclined to believe?

[Answer] I think what now happens is a reflex to viewpoints that happen to turn up at an earlier date, says the committee chairman, without wanting to elaborate any further on that. The committee's vice chairman, Thor Knudsen of the Conservative Party, has a different opinion:

"In my opinion there are no concrete examples to show that Reagan did not want a solution in Geneva. We must not forget that the zero solution was sanctioned by the Western allies of the United States. Many have held a mistaken impression of Reagan and U.S. negotiation intentions," says Knudsen.

In general, the committee's members have the impression that the Reagan administration has hope for solution in Geneva. Frydenlund personally underscores that he disagrees with the condition that the deployment part of NATO's dual-track decision will be implemented while the negotiations are underway and there is constant hope for solution. Frydenlund is primarily concerned about the reaction in West Germany if the deployment is implemented without the negotiations having broken down.

On many occasions during the talks in Washington Frydenlund emphasized his disagreement on this point. He calls to mind, however, that on this point he does not express himself as a committee member but expresses himself on his own behalf and as a politician of the Labor Party. "It seems as if the Americans see the deployment as a necessary means for obtaining a solution in Geneva," says Frydenlund. Knudsen confirms that this is also his impression. But while Knudsen is inclined to agree to that, Frydenlund announces his disagreement.

In the Pentagon it was especially underscored to the committee that the United States is quite concerned about the northern flank's steadily increasing importance, especially in light of the Soviet escalation on the Kola Peninsular. From the U.S. side there were no further talks about possible increased naval presence in the North Atlantic.

The committee did not meet with Defense Secretary Caspar Weinberger, who on short notice had a full day of meetings in Congress on the U.S. military presence in Lebanon. It came forth clearly during the talks, however, that the United States values the Norwegian contribution to the UNIFIL-forces in Southern Lebanon simply because a withdrawal during the current situation would have negative consequences. The committee was completely in line with the government when it emphasized that no unilateral Norwegian withdrawal will come about.

"But it must be the opinion of each government. A withdrawal today will have a destabilizing effect which no one wants," says Knudsen.

9583

CSO: 3639/172

## MAS STRATEGY, ACTIVITIES TOWARD SARDINIAN SEPARATISM

Rome L'ESPRESSO in Italian 4 Sep 83 pp 18-19

[Article by Giovanni Maria Bellu: "Long Live Cuba, Down With Rome"]

[Text] What is the meaning of the abbreviation MAS (Sardinian Armed Movement) which appears behind the kidnapping of Salvatore Buffoni? To liberate him, MAS has secured the publication of a little flyer: Among the threats, we have the old anti-Italian independence drive.

Nuoro. They are just a few, five or at most ten persons. They have an ambitious program: To turn Sardinia into "the Cuba of the Mediterranean." And it seems that they are serious about this: For the moment, they claim credit for six murders and a kidnapping of a person. The abbreviation they have picked for themselves--Sardinian Armed Movement--reveals the attempt at combining terrorism and the independence drive, political struggle and common, ordinary gangsterism. They achieved notoriety with the kidnapping of an individual; in exchange for the release of Salvatore Buffoni, a doctor working for the town of Bitti (a section of Nuoro), the MAS got half a billion and, above all, the dissemination of an announcement addressed to the emissaries of the abducted person. In the document, published by the newspapers, the MAS claims credit for the latest murder, the sixth in two months, and the kidnapping. It announces that the 500 million in blackmail money will be used to purchase weapons; it threatens those who recant, judges, police officers, and journalists; it warns that it will extend its action radius into the area of Cagliari, defined as the "fief of attorney general Villa Santa."

"Today, Sardinia can become the Cuba of the Mediterranean." Giangiacomo Feltrinelli made that statement in Cagliari in 1968 during a debate. It was interpreted as the impossible fantasy of a "woodsman" who was simply enchanted with Che Guevara who wanted to transform the at that time fugitive from justice Graziano Mesina into a guerrilla fighter. Just 15 years later, precisely a week ago, that story about Sardinia becoming another Cuba reappeared in the story told by Salvatore Buffoni who was abducted during the night of 2 August together with his wife Rina Mulas (released before her husband because she was able to get the blackmail money together). To the judges, the town physician, cousin, and namesake of the chief justice of

the Court of Appeals recounted the story of daily having been subjected to 2 hours of instruction on terrorism by two bandits, Diego and Antonio (these are the cover name and the name given at birth, from Savasta) who laid their program out: An independent Sardinia, a Cuba in the Mediterranean, supported mostly by tourism, owning the military bases which are on its territory and which are to be leased to the superpower that pays the most money. For the investigators, this was the proof they were looking for: The kidnapping of the Buffoni couple, the first political abduction in a century-old story of common crime, demonstrates that the bandit-terrorist was born in the mountains of Barbagia, behind the abbreviation MAS. This worry spread from the office of the attorney general and the military barracks on the island to the minister of interior. The intelligence services are carefully examining this resurgence of terrorism in a region which--as communist Eurodeputy Umberto Cardia recalled--"has a by no means minor significance in the clash between the two blocs."

The MAS introduced itself to the Nuoro editorial offices of the daily LA NUOVA SARDEGNA on 23 June with a letter which, judging by the postage stamp, was mailed on 17 June in Orgosolo. On the sheet of paper, written in all capital letters, the MAS claims credit for a murder that took place on 15 June at Mamoiada, a part of the country just a few kilometers from Orgosolo. The victim was Claudio Balia, 22 years old, who was killed during the early evening hours in his bar. Claudio was the brother of Alberto Balia who had been accused of numerous kidnappings, who "sang" during the super-secret Galluro investigation which, among actual and successful crimes, is concerned with about half a score of murders and a score of kidnappings. Like all the others who recanted in recent Sardinian judicial history (from Luciano Gregoriani of Anonima, who was tried last year, to Marco Cesari who was involved in the kidnapping of De Andre); Alberto Balia secured provisional release on serious grounds of health after a year of imprisonment and now lives in a secret place.

Since 23 June, the MAS has continued to claim credit for new and old murders: those of the Mamoiada butcher Gonario Sale, who was assassinated on 20 June and of the brothers Giovanni and Giuseppe Debuggias, both shepherds who were assassinated, respectively, on 3 March of this year and on 28 February of 1982. Like the other victims, they are also accused by the MAS of "treason and infamy" but this time for crimes committed during times which one would normally no longer remember: 18 years ago--according to the MAS--the two of them had betrayed the fugitive Ambrogio Melis who was killed by National Police officers near their sheepfold.

In an operation that differs tremendously from the usual form of barbarism, the MAS on 5 July killed Giovanni Bosco, a gas station attendant and former National Police officer, who was a prosecution witness in the trial of Anonima last year. The bandits forced one of his neighbors to knock on the door. Bosco, who for a year had been living in terror, opened the door and was rubbed out.

With the Buffoni kidnapping, finally, the MAS claims credit for another crime that happened before its official appearance on 6 June when the shepherd of

Bitti, Ciriaco Demelas, was killed by pistol shots. He was accused of having played host to National Police Capt Enrico Barisone during the early months of 1980.

Along with Villa Santa, Barisone, who is from Piedmont and who has the physique of an athlete, is the preferred target of the MAS. His name is linked to the most famous episode in the recent history of banditry, the shootout that took place during the night between 16 and 17 December 1979 in the little town of Sa Janna Bassa in the mountains of Orune (a section of Barbagia) when two fugitives were killed and Barisone himself (later on decorated with the Gold Medal) was wounded. In the pocket of one of the dead (Mario Bitti, to whom the MAS dedicated its island column) there was found a little flyer from the Genoa column of the BR [Red Brigades] and this was the first time that it was possible to think of a link between banditry and terrorism. The assumption however was refuted by another one: the assumption that the persons who met at Sa Janna Bassa supposedly discussed abductions (at that time, De Andre and Dori Ghezzi were in the hands of the bandits). The supposition was confirmed by the identity of the sheepfold owner--Carmelino Coccone--who was considered a bigshot in traditional crime and who was involved in many kidnappings also in the Galluro Anonima.

Things changed after the arrest of Antonio Savasta: the repentant Brigade member says that, if he had not lost his way, he would also have been at Sa Janna Bassa that night; he accuses Carmelino Coccone and the other shepherds of having joined the BR. In the recent trial of red Barbagia, the latter denied the charge but were sentenced nevertheless. A sentence of 7 years of imprisonment was also handed down against a fugitive by the name of Annino Mele, of Mamoiada, a new red primrose of Sardinian banditry. According to the investigators, he is the head of the MAS.

Early in May, several days before the start of the trial against red Barbagia, Annino Mele announced his joining the armed struggle in a letter. He is the first Sardinian bandit officially to make such a choice. How and where did he become politicized? We know that he was imprisoned at Badu'e Carros, a school of terrorism in Sardinia, and we know that he is linked with Francesca Fah, the separated wife of an NAP [Armed Proletarian Nuclei] member who was arrested last January. It is said that he read much while he was a fugitive, acquiring a rather confused body of knowledge where old laws of honor are mixed in with revolutionary thoughts.

Released after having been sentenced in the first instance and cleared of a double murder charge on appeal, Mele managed to avoid capture in October 1982 during the blitz against the Galluro Superanonima. About half a score of others escaped with him and, according to the investigators, it was they who started the MAS, an organization which says that it is Marxist-Leninist and that, in its program, it includes the extirpation of the "plague of Juda" and the restoration of the "noble and good Barbaricine traditions," that is to say, that wall of silence which an extraordinary application of the benefits reserved for the repentant individuals seems to have cracked. With the appearance of the MAS, the fear of olden times has returned to Nuoro, along with the memory of the horrendous stories of real or presumed "defamers" who were murdered and fed to the hogs.

Real or criminal terrorists who try to obtain a political cover for themselves? The investigators have opted for the second assumption but the subjective reasons for the birth of the MAS do not diminish the concern. The incorrigible members of the dissolved red Barbagia--who at first had raised the theory of contact between banditry and terrorism in the trial that ended in August, with a document forwarded to the court--had said that the future of the Sardinian armed struggle resides in traditional crime. This perhaps also explains the attempt by the MAS to provide a political veneer for vendettas which matured and were carried through long before its birth.

5058

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## RED BRIGADE LINK WITH PERU'S TRAFFICKERS, SHINING PATH VIEWED

Lima OIGA in Spanish 19 Sep 83 pp 52-54

[Text] Exclusive report by ANSA Agency.--The police here in Peru has received cable reports alleging that there are four and not two Italian terrorists of the ultra Leftist "First Line" organization hidden in Peru and engaged in drug trafficking in complicity with "Shining Path" [Sendero Luminoso] which probably has received money for buying weapons in exchange for protecting their activities. The Italian terrorists in question are: Mauricio Baldasseroni, age 38; Loredana Ballan, age 31; Oscar Tagliaferri, age 37; and Renato Ferro, age 34. Initially only the first two were mentioned in the report issued 3 weeks ago by the Italian police when they learned of the destruction of the network that was bringing Peruvian cocaine into Italy. Last week the chief of the PIP Peruvian Investigative Police, Lieutenant General Rodolfo Ballesteros Cueva, reported that indeed Tagliaferri had been in Peru until last year, when he traveled to some European country with legal documents. He may have returned to Peru bearing false papers to continue trafficking in narcotics. In the following report, prepared by ANSA exclusively for OIGA, the Italian police suspects that in Lima and other Peruvian cities, there may be terrorists of the "Red Brigades." If this assumption is true, it would mean Peru is becoming an international base for Leftist terrorism with Italian elements added.

Until fairly recently, those who picked Latin America as a fairly safe haven of refuge were the Neo-Fascists like Stefano Delle Chiaie. During the early 1970's, scores of Rightist Italian extremists implicated in the most hair-raising crimes headed for countries like Argentina, Chile, Bolivia and Brazil.

The presence, for years, on the Latin continent of military regimes indeed allowed the most notorious characters of black Italian terrorism to live out their incorrigible obstinacy without many problems and often--as is true of Delle Chiaie and of Pier Luigi Pagliai, who died last year in La Paz--even assuming public office as government consultants.

Now that in Italy the phenomenon of terrorism as a whole is apparently on the wane, Leftist terrorists as well appear to have found refuge in Latin America. But this is not all. Some dangerous Italians of the extreme Left have set up headquarters in South American countries for the international



traffic in narcotics, the income from which probably goes to finance the international armed struggle.

#### Drug Terrorism

The news spread just lately in Italy and was like a bombshell in Peru. It is a confirmation of everything the Peruvian President Fernando Belaunde Terry has been denouncing for some time now: there are foreign terrorist organizations in Peru that are providing economic aid to the militant Maoists of "Shining Path."

The Italian police, in cooperation with Interpol, continued its investigations even further, discovering that four Italian terrorists who took refuge in Lima are top men in the cocaine and heroin traffic with Italy. The area of Milan, Italy, is where the drug probably gets put on the market. Any money income is most likely deposited immediately into Swiss bank accounts and paid out in Peru. Part of the money most likely ends up in the hands of what is left of the Italian terrorist organizations. Still another part most likely is sent to the guerrillas of "Shining Path," who for their part, probably assure the Italian terrorists in Peru all possible assistance.

But there is even more: a channel, to give it a name, of "emigration" between Italy and Peru has probably been active for a little under a month now and the Italian police suspects that the "Red Brigade" terrorists, the strongest clandestine group in Italy, are probably active now in Lima and in other Peruvian cities.

So Peru is very likely turning into an international base for Leftist terrorism involving Italian elements, and Peruvians responsible for the activities of a Red international.

#### How a "Network" Was Destroyed

But now let us see how the Italian police managed, at least temporarily, to put an end to the narcotics traffic from Peru to Italy. The narcotics experts had discovered that starting from about the end of 1981, there were large amounts of heavy drugs, especially cocaine and heroin, definitely of Peruvian origin, circulating on the Milan market.

Two years of work allowed the Italian police to discover that the drug came into Italy by way of shipments of books from Peru. Books in whose bindings the narcotics were stashed and which were addressed to young people of the provinces of Brescia and Mantua (northern Italy) who in the past had had links with extreme Leftist organizations. The drug was sent directly from Lima by four Italians sought for terrorism and also accused of homicide: Maurizio Baldasseroni, age 38; Oscar Tagliaferri, age 37; Renato Ferro, age 34; and Loredana Ballan, age 31.

## Violent Story

Who are the four Italians? The story of some of them, and in particular of Baldasseroni and Tagliaferri, is one of uninterrupted violence, a violence halfway between common prostitution and the Leftist terrorism which has shed so much blood in Italy in the last 10 years.

The four are from "First Line," a clandestine group active in Italy till towards the end of 1981, the leaders of which are practically all in jail, and which was the only terrorist organization to equal--in the number of militants, firing capacity and operative structures--the "Red Brigades." But "First Line" was the most anomalous group and the least linked to the extremist canons of Marxism-Leninism. "First Line" was also the organization most affected by the phenomenon of repentance.

"First Line" also had a place in the ranks for the children of wealthy Italian families and important politicians, like Marco Donat Cattin, who now cooperates with the law against his former associates, and is the younger son of the former minister of industry, Carlo Donat Cattin.

Baldasseroni and Tagliaferri are undoubtedly the most outstanding characters in the group. Italian justice has issued a large number of outstanding orders for their capture. The most serious accusations against them have to do with four homicides, four fiendish crimes which, according to the accusation, probably were not politically motivated.

## Bloody Vengeance

The victims were: a narcotics runner--Giamperi Grandi--murdered in Milan in November, 1978, and three customers in a Milan bar--Domenico Bordonazzi, Piero Magri and Carlo Lombardi--murdered by two killers from "First Line" on 1 December the same year.

The story of the murder of these three men is blood-curdling and got Baldasseroni and Tagliaferri kicked out of the subversive organization.

On 1 December, 1978, the bodies of the three men were found in a car in Milan. Someone had murdered them by riddling their bodies with rifle and pistol shots.

The police thinks the motive was settling accounts between gangs from the local underworld and the case has been pigeonholed.

Time goes by. Two militants of "First Line" under arrest decide to cooperate with the judges and tell the story of the massacre. It is not an ordinary crime, but revenge by two members of "First Line": the very same Tagliaferri and Baldasseroni.

At the end of an "exciting night" with a couple of girls, the two terrorists decided to go, that 1 December 1978, to have a few drinks in a bar on the outskirts of Milan.

Evidently drunk, the two start arguing with a group of customers in the bar, who expel them from the premises.

Baldasseroni and Tagliaferri decide to return to Baldasseroni's house, take a Smith and Wesson 12-caliber rifle and a 357 Magnum pistol and go back to the bar. They find it closed and then start combing the neighborhood until they see the three customers from the bar in a car. They stop the vehicle and discharge their weapons at these chance victims.

In the requisitory with which Baldasseroni and Tagliaferri were arraigned and indicted, the judge speaks of "triple homicide for trivial motives." But the two terrorists are known to have tried to express their vengeance in a political crime before leaving Italy.

#### Heading for Lima

Some repentant former members of "First Line" reported that the two terrorists wanted to make a flier of rebuttal to explain that for communists it was intolerable to be mistreated in a proletarian district. The flier was not written and it even appears that Sergio Segio, then the indisputable head of "First Line," threatened the two with death before declaring them expelled from the organization.

It is known for a fact that before leaving Italy along with Loredana Ballan and Renato Ferro the two Red killers got in touch with other terrorists and that they surely organized a new subversive group composed largely of dissidents from "First Line" and from other lesser terrorist groups.

Meanwhile, in cooperation with the Peruvian and Italian police, Interpol began searching in Lima for the four Italian terrorists who for some time now have been financing the armed struggle in Peru with drug money.

The tracks of the four vanish in Lima. There is talk of a department located on the farthest outskirts of the capital, in a remote area where few people travel.

#### Worrisome Supposition

But it is not likely that the four Italian terrorists--still according to indiscretions--have been living the typical clandestine life. They have probably even been seen in nightspots in the center of Lima.

But according to the Italian police, Tagliaferri, Baldasseroni, Ferro and Ballan are only the top of the iceberg of the Italian subversives that have taken refuge in Latin America.

How many Italian terrorists are there in Peru? How many of them chose drugs to finance the revolution? The answer is not easy.

It seems that the four in question have made an agreement with other Italian terrorist organizations that have dissidents in South America, like

"Communist Guerrilla," which in Italy always frequented heroin trafficking circles. This does not exclude additional involvement by Right wing extremists in channeling the drug, always in conjunction with the large heroin and cocaine multinationals.

Lastly, there is another worrisome supposition. That the drug connection will work both ways and with two objectives. Peru could be the point of departure for drugs heading for Italy. And the trail from Italy to Peru could carry not only money but also weapons and munitions for "Shining Path."

12448

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## NINETY-DAY OIL RESERVES QUESTIONED; OFFICIAL REPLY

Athens I KATHIMERINI in Greek 15 Sep 83 p 9

[Text] On 14 September 1983 Minister of Energy and Natural Resources E. Kouloumbis undertook to justify the reduction in Greece's oil reserves, analyzing the relevant policy which was followed, thus getting around Greece's weakness in foreign exchange.

In particular, Mr Kouloumbis, with reference to the oil supply policy which was followed, maintained that:

1) Greece's foreign exchange benefit is enormous with respect to that of previous years: the average cost of importing oil in the first 8 months of 1983 was \$219 per metric ton, while correspondingly it cost \$249 per metric ton in 1982 and \$279 in 1981 (for the first six months).

Assuredly this price reduction is due to the way oil prices have gone, however it is also due to the choices we made. Let us mention that in the first 8 months of 1983, before the prices of the free market reached an equilibrium, the free market provided us with significant quantities of crude oil and petroleum products at prices exceptionally low when compared with the official prices of that period.

2) Internal consumption has been reduced by about 4 percent during the first 8 months of 1983. Thus, while in 1981 and 1982 consumption was about 5.5 million metric tons, in 1983 it has barely reached 5.3 metric tons (in TIP [expansion unknown]).

To cover these needs, the Aspropyros Refineries went into full production and in the first 8 months supplied the market with about 3 million metric tons of petroleum products, while improving the quality of these products so that the consequences to the surrounding area would be reduced.

3) All countries have reduced their reserves and many today have under 90 days' worth, while Greece has 93 days' worth if we include only the reserves which are under state control, and 150 days' worth if we count (following the instruction of the EEC and the International Economic Committee [DOE]) all reserves present in Greece.

Consequently no problem exists. On the contrary, our correct and prudent management in the sector of petroleum goods has been demonstrated.

4) It is natural for the bill for petroleum goods in Greece, as well as in other European countries, to appear to be excessive since the value of the dollar has increased significantly relative to the drachma and other European currencies. Still today the prices for certain products are so low that they do not cover the cost of providing them.

#### Milt. Evert's Reply

In related statements, former minister Milt. Evert stated, among other things, that:

"From the evidence which has been given, it follows that public oil reserves have been reduced from the 3.3 million tons which existed on 31 December 1981 to 2.1 million tons on 31 August 1983, namely 1.2 million tons with a value of \$265 million at today's prices. Consequently, if these reserves, which the government has consumed, do not exist, the government would be obliged to produce an additional foreign exchange outflow of \$265 million.

"As for the minister's claims about markets which are cheaper this year than last year and the year before, this is obviously due to the international reduction in petroleum prices. Obviously Mr Kouloumbis wants to criticize his predecessor Mr Peponis. But from the evidence which the ministry gave, it follows that the supplies of petroleum in the free market were at the same price of \$219 per ton with government controls, while they should have been at least around \$15 cheaper per ton.

"The minister does not say, however, why the official bidding for supplies has stopped and large quantities of petroleum are being purchased by direct consignment, without special exceptional reasons.

"The minister does not state the reasons for us borrowing 400,000 tons of petroleum from Mr Latsis and how 200,000 tons were subsequently purchased from him, and if the remaining 200,000 tons will be returned or will be purchased and under what terms.

In his communique, the minister lets it clearly be understood that the bill for petroleum goods appears to be excessive, but he does not say by how much. According to my calculations, this excessive amount must surpass by far the sum of 15 billion drachmas. Consequently the minister is invited to give detailed evidence."

11587

CSO: 3521/443

## KYKLADES ELECTRICITY FROM GEOTHERMAL ENERGY

Athens TA NEA in Greek 5 Sep 83 p 20

[Excerpt] "Within 1984 the first experimental station in Greece for producing electricity by exploiting a geothermal plain will be installed on the island of Milos. It will have a capacity of 2 megawatts."

This was announced in Milos by Minister of Natural Resources and Energy E. Kouloumbis on the morning of 4 September 1983 when he opened the proceedings of the conference on "The Contribution of Geotherman and Other Benign Forms of Energy to the Development of Milos."

The conference--which ends 5 September 1983--was organized by the Nome of the Kyklades, the League of Milos Communities, the Technical Chamber of Greece, and the Youth Society of Milos.

Mr Kouloumbis also emphasized that the exploitation of geothermal energy will take place through a government transmitter.

By 1989 the goethermal energy of Milos will yield 60 megawatts, while in 1992 the yield will reach 120 megawatts.

It is noted that the Kyklades will consume 50 megawatts starting in 1992. The excess energy will be diverted via underwater cables to neighboring islands and, via Karystou, to the national network.

Referring to the government energy policy, the minister stressed that:

There are 6 billion drachmas at the disposal of energy research programs in the 5-year development plan;

By 1986, nine wind parks, which will produce 20.6 megawatts, will be created on nine islands in the Aegean Sea.

The government will encourage, through the Greek Aircraft Industry, the construction of wind-driven electric generators which will, by stages, serve a broad program of exploiting wind energy on 30 islands.

In closing, Mr Kouloumbis made the forecast that the world economy will, at the end of 1990, confront a new energy crisis like that of 1973 to 1979, and he stressed the necessity of exploiting all the energy resources of our homeland.

## STUDY OF FUTURE OF AUTOMOBILE MARKET

Bonn DIE WELT in German 7 Sep 83 p 9

[Article by Harald Posny, Duesseldorf: "Automobile Market/Study by Shell on Development up to the Year 2000. The Rise in Automobile Ownership in the FRG Will Still Accelerate"]

[Text] Although the FRG's population is decreasing in the intermediate as well as the long term, German automobile ownership will increase. According to the 12th forecast by Shell since 1961, the automobile stock up to the year 2000 will (in the more favorable of two assumed scenarios) go up by about 5 or 6 million to between 28.5 and almost 30 million vehicles.

The study stresses that there were dips in new registrations in past years because of business cycles, but that the stock of automobiles increased, although a little more slowly. In the last 2 years alone, 800,000 automobiles are supposed to have been added. "Thus, the urge to own a car is unchanged."

The automobile market of the coming years is subject to three inhibiting factors (unemployment, real income, and rising interest rates), countered by three favorable ones: future population makeup because of high birth rates in the years 1963 to 1955, existing private fortunes, and confidence by the population in the ability of country and society to solve problems with a wide consensus.

In the intermediate term Shell expects new registrations of 2.35 and 2.67 million for 1983 and 1984. This corresponds to an increase in the stock of 562,000 and 810,000 to 24.61 or 25.45 million units at the respective year's end.

The long-term forecast by Shell up to the year 2000 is based on social and economic conditions. Here Shell sets up two scenarios: one assumes an overriding long-term weakness in growth and an increasing phobia about technology ("disharmony"), whereas the alternative is characterized by performance-enhancing elements within the bounds of economic growth ("structural transformation").

Both scenarios start out with the FRG's population falling to 57.5 million by the year 2000, but with, on the other hand, the number of people over age



18 increasing by about 850,000 by the end of the eighties. Those born in 1964 alone, who will be 20 next year, amount to 1 million people. The numbers in the 30 to 45 year age group, which is of significance in automobile ownership, will increase until the end of the century.

In the "disharmony" scenario, a stock peak in the year 2000 of 28.5 (1990: 27.9) million automobiles is expected (500 vehicles per 1000 inhabitants). In the "structural transformation" scenario a maximum stock of 29.9 (1990: 29.2) million automobiles (520 automobiles per 1000 inhabitants) is expected.

For new registrations, taking the optimistic or the pessimistic development route as a basis, a result of 2.72 or 2.52 million each is obtained on average for the time period 1985 to 1990, and after that to the year 2000 about 2.46 or 2.32 million automobiles.

Up to the end of 1984 the expected growth in the forecast is based mainly on the demand for new cars, and not yet from the replacement demand. The latter is expected to again reach the 1982 level only in 1984. No acceleration because of reduced automobile life is observed. This, to be sure, is also due to the large demand for "ready to drive models," which is satisfied by the used car for young drivers.

The present debate on the emission of pollutants, in particular by vehicles using regular gasoline, should lead in Shell's view to turbulent changes in buying attitudes during the transition phases of new regulations, and thus to changes in the makeup of the automobile stock. The nature and scope of such repercussions could be considerable, depending on the content of the regulations, but does not affect the estimate of the long-term automobile inventory and the trend of new registrations.

5586  
CSO: 3620/468

## BANK OF GREECE SIGNS BOND LOAN WITH JAPAN

Athens I KATHIMERINI in Greek 15 Sep 83 p 9

[Text] A loan agreement for the Bank of Greece to float a bond loan of 5 billion yen under the sponsorship of the Long-Term Credit Bank of Japan was signed on 14 September 1982 by Deputy Governor of the Bank of Greece Evangelos Kourakos and representatives of Japanese credit institutions. The issued bonds will be placed among a very restricted number of Japanese investment organizations (private placement).

The duration of the bond loan is 7 years, with a grace period of 4 years. The interest is 8.6 percent, fixed throughout the entire term of the loan. The loan's contractual provisions and the composition of the body of Japanese banks reflects the interest of foreign investors in Greek loans.

The body of credit and investment organizations which have undertaken to handle the bond loan includes the following institutions:

The Long-Term Credit Bank of Japan  
Sumitomo Trust and Banking  
Daiwa Securities Co.  
Nippon Credit Bank  
Nippon Kangyo Kakumaru Securities

The proceeds of the loan will be conveyed to Greece for various financial purposes and to cover a portion of the payments to amortize Greece's foreign debt.

11587

CSO: 3521/443

## STATUS REPORT ON ANDALUCIA LAND REFORM CONUNDRUM

Madrid ABC in Spanish 22 Sep 83 pp 52-53

[Article by Carlos de Miguel: "Rural Andalucia: Between Poverty and Demagogy"]

[Text] The so-called "March for Overall Agrarian Reform" and the occupations of and subsequent eviction from landholdings have in recent months focused attention on the problem of rural Andalucia, a problem that has existed for years. Administration of community employment funds and the agrarian reform are being debated in the midst of Andalucia's fifth drought, which has only aggravated the economic and social problems of rural areas.

The march began on 5 September in Seville and will also end in the Sevillian capital on 13 September. Participants will have marched for 40 days in the hot Andalucian sun, covering 1,045 kilometers and visiting 62 towns, some of them provincial capitals. It is a propaganda stunt of the first magnitude, perfectly organized by the Workers Commissions (CCOO) and the Communist Party. A core of marchers -- 80 to 100 persons, some on the road from the very beginning -- is going from town to town. Many join the group in one place and continue on to the next. They are greeted upon their arrival by a reception and meeting, organized by the party or union, and leaders explain communist ideas about overall agrarian reform.

Members of the Workers Commissions affirm their independence, noting that the march involves people with different ideologies and that it is a fight open to anyone wishing to participate in it. However, one cannot deny that among the leaders of the march, along with the secretary general of the CCOO of Andalucia, Eduardo Saboido, is the secretary general of the Communist Party of Andalucia, Felipe Alcaraz. Nor is it any accident that the secretary general of the Communist Party of Spain, Gerardo Iglesias, comes to the march to pronounce a meeting.

#### SOC the First

The rest of the social forces of Andalucia believe that this is the only system the communists have for explaining their reform, given their limited influence in the Andalucian Parliament: In the most recent elections, they were defeated by the socialists. The socialist senator and secretary general of the PSOE [Spanish Socialist Workers Party] of Malaga, Ramon Germinal, recently called the day laborers' march a "communist tale," while the Sevillian

president of the Young Farmers, Jose Hernando Mateo, felt that the hunger of the unemployed was being exploited.

Nevertheless, it could not be denied that the Commissions are making a great effort and have achieved obvious leadership in rural Andalucia. The march has at times rallied over 1,000 persons and aid along the way from the different towns is generous, although in some cases it has come from socialist mayors.

The CCOO have thus taken over a banner that the SOC [Farm Workers Union] was the first to hoist. The SOC began with the farm occupations about 8 years ago. At that time, the Commissions were making no demands, using the excuse that they did not want to make the democratic even more difficult. They have only recently gone into rural areas inasmuch as with the PSOE in power, they think that democracy has been achieved on the political level and that it is now necessary to move on to the economic field.

Even the idea of the march seems to have been copied from previous actions carried out by the SOC, which years ago sponsored the so-called "March of Dignity," in which some 50 day laborers traveled through Cadiz Province. What is more, the fight this summer was initiated by the occupations of landholdings and petitions against a return of Rumasa land to private ownership, petitions circulated by the SOC, which continues to occupy land it later gives up peacefully. These are actions aimed at attracting attention, actions which in some cases gain much more positive results, as in the case of the Los Embalses farm, occupied several times by the IRYDA [expansion unknown] and soon to be turned over to the farm laborers.

The Farm Workers Union is headed by Francisco Casero, a Sevillian from Marchena who is 35 years old, married with two children, who has been involved in this type of work all his life. The organization has much less strength than it appears and owes its popularity to the fact that its actions are always widely reported in the press. It emerged as the trade union branch of the Spanish Labor Party (PTE), but when that party was dissolved, it was left with a small headquarters in Sevilla, the decision-making center of all Andalucia.

There are three distinct factions in the union. The purest are anarchic, but they are scarcely organized as an internal faction. Of the other two, one is closer to the socialists and is led by Casero himself. The other supports the positions of the CCOO and is led by the parish priest of Los Corrales, Diamantino Garcia. Despite the fact that its strength is sparse throughout the region, its base in some areas, especially in the southern Sevillian mountains, is almost overwhelming, as in the case of El Coronil, Baldelatosa or the well-known Marinaleda. The latter is famous for the fight of its mayor, Juan Manuel Sanchez Gordillo, who has sponsored many hunger strikes. However, the power of Sanchez Gordillo in the town is almost dictatorial, not only because of the fact that the 11 councilmen are members of the CUT (United Labor Candidacy), but above all, because no other candidacy could be presented in the elections. The PSOE and the AP [Popular Alliance] had apparently begun talks in order to present a joint independent candidacy that would oppose Sanchez Gordillo, but they could not find 11 persons willing to give their names. It is hard to believe that all 2,500 persons in a town would think alike and one therefore comes to the conclusions that the people are afraid to oppose the current mayor.

Community Employment in Andalucía, Distribution of Funds 1981, 1982 and 1983 (in millions of pesetas)  
(Source: General Employment Promotion Subdirectorate, INEM)

PROVINCIAS	Jan.			Feb.			Mar.			Apr.		
	1981	1982	1983	1981	1982	1983	1981	1982	1983	1981	1982	1983
Almería.....	30.0	26.0	100.0	50.0	63.5	108.0	64.00	53.00	99.170	44.00	80.00	101.75
Cádiz.....	100.0	134.5	327.0	140.0	134.5	300.35	236.00	274.00	478.50	160.00	324.00	368.50
Córdoba.....	100.0	74.5	291.0	100.0	149.5	300.0	170.00	280.00	257.50	117.00	330.00	282.75
Granada.....	80.0	122.0	180.0	90.0	68.5	200.0	91.00	190.00	174.75	78.00	200.00	350.00
Huelva.....	50.0	72.0	115.0	50.0	40.0	100.0	81.00	85.00	142.00	51.00	85.00	137.00
Jacán.....	10.0	—	—	50.0	67.0	67.0	113.00	180.00	300.00	128.00	250.00	532.50
Málaga.....	120.0	182.5	230.0	100.0	84.0	240.0	160.00	276.00	253.75	128.00	209.50	314.106
Sevilla.....	100.0	170.0	875.0	120.0	561.5	600.0	275.00	431.00	950.00	312.00	450.00	950.00
Badajoz.....	100.0	130.0	462.0	150.0	150.0	430.0	220.00	300.00	275.75	149.00	330.00	550.00
Cáceres.....	60.0	44.0	100.0	130.0	168.5	110.0	120.00	70.00	161.65	50.00	70.00	201.75
Total.....	750.0	935.5	2,460.0	980.0	1,487.0	2,453.35	1,533.00	2,139.00	3,093.070	1,217.00	2,308.50	3,788.356

PROVINCIAS	May			Jun.			July		
	1981	1982	1983	1981	1982	1983	1981	1982	1983
Almería.....	44.00	65.00	81.25	100.00	65.00	81.25	65.00	65.00	86.50
Cádiz.....	170.00	300.00	407.50	220.00	275.00	373.50	275.00	225.00	380.00
Córdoba.....	150.00	300.00	448.00	290.00	275.00	455.75	290.00	290.00	600.00
Granada.....	100.00	220.00	312.00	100.00	150.00	282.75	100.00	100.00	275.00
Huelva.....	85.50	100.00	132.00	80.00	100.00	160.00	75.00	75.00	175.00
Jacán.....	206.50	300.00	409.75	300.00	300.00	409.75	193.00	183.00	530.00
Málaga.....	153.50	220.00	324.50	166.00	193.00	324.75	270.00	270.00	332.00
Sevilla.....	350.00	450.00	1,067.25	366.00	425.00	651.75	350.00	350.00	750.00
Badajoz.....	184.00	300.00	800.00	100.00	275.00	387.25	200.00	200.00	672.00
Cáceres.....	71.00	95.00	175.00	100.00	95.00	125.25	100.00	100.00	99.75
Total.....	1,514.50	2,350.00	4,147.25	1,792.00	2,153.00	3,252.00	1,918.00	1,868.00	3,900.25

## Reform of Community Employment

The fight of the SOC and the Workers Commissions began with a call for reform of community employment. The need to reform the system, which came about as a result of a November 1970 order, is obvious for all the economic and social forces of Andalucia. Economically speaking, it is becoming a bottomless pit that costs the government more money with every passing day. One has but to compare how much was paid out as a result of that concept a few years ago with what is now spent. Month by month, the figures have doubled and sometimes tripled in every case. It is a situation that must come to an end and the government is already seeking a solution.

While the reform is being drafted, the unemployed are assigned to relatively useful and highly expensive tasks. To clear a mountain or clean out a ditch with such labor is totally uneconomic. The Workers Commissions must pursue two essential goals: Money must be used profitably and work must dignify the day laborer. They propose to use this labor force on rural infrastructure projects and social undertakings such as the construction of schools, asylums, and so on. Until reform of the system is discussed -- which will happen in January of next year -- payment must go to the highest number of persons possible.

The reform of this community employment pursued by the communist union is based on an overall change in the concept and achieve a so-called Rural Farm Workers Insurance encompassing all workers in the towns. This scheme would eivisage retirement at the age of 60, job training for young people and the illiterate, a rural unemployment subsidy and a rural employment fund. "Until this is applied, we shall not accept any kind of discrimination," says Antonio Rodrigo Torrijos, secretary general of the Seville Provincial Union of CCOO's.

The discrimination to which officials of the Workers Commissions refer are the measures implemented by provincial delegates of the INEM [National Employment Institute] to try to check the increase in amounts assigned to these items. Lists are being revised to remove names of those who do not meet the requirements, such as being over 16 and having done farm work. The latter means at least six months of farm work in order to avoid paying the community employment funds to unemployed persons from other activities who once moved from rural areas and then, because of the crisis in construction and industry, returned. However, the measure also hurts many real farm workers who did not work 180 full days in the year.

Another dispute arises out of the issue of family unity. In an effort to economize, one wage is being paid per family. The unions claim that the money is not enough and that it is discriminatory, saying that a wage must be paid to every worker, regardless of the amount going to a given household. They demand equal pay for married and single persons. However, some farmers claim that too much money is being paid out for the amount of work done. An average of 1,300 to 1,400 pesetas a day is paid for very little effort in exchange. When someone wants to hire a worker, the amount paid must be greatly increased because with only a slight difference, laborers prefer to continue "to work on unemployment." This makes some crops, olives, for example, unprofitable.

It is believed that much of the olive crop this year will go unpicked because the cost of harvesting is not adequately compensated by what is paid for the olives.

The first removals from lists of those to receive community employment payment came in Paterna del Campo in Huelva Province. The result was a campaign of rural mobilizations launched by the unions in April. Shortly after the expropriation of Rumasa, Francisco Casero spoke out against the return of farms to private ownership and demanded that they be turned over to the workers within the framework of the agrarian reform.

This was the fuse for subsequent mobilizations, which have coincided with a year of marked poverty. According to economic studies, the drought has cost the agricultural sector over 60 billion pesetas this year and the Andalusian economy will suffer 10 percent drop in the regional gross national product, in contrast with national predictions of a 1.5-point increase.

11,464

CSO: 3548/6

## GOVERNMENT BACKS OFF PRESSURING UNIONS AT SAGUNTO

## Mill Should Remain Inoperative

Madrid EL PAIS in Spanish 23 Sep 83 p 1

[Text] Facing strong pressure from the unions, the government reversed its position regarding penalties it had imposed last week in order to put an end to the dispute at Sagunto. The National Institute for Industry (INI) agreed to rescind the firing of the 69 structural mill workers of Sagunto's iron and steel industry and the employment and salary suspension papers of the remainder of the 158 workers in the sector if the plant's situation is restored to normal. The agreement involves the shutting down of the mill and the acceptance by the workers of transfers to other jobs. Also, next week the committee for the reactivation of the integrated iron and steel industry will meet to discuss the plans of Mediterranean Blast Furnaces.

The workers' assembly held at Puerto de Sagunto, whose start was delayed until the results of the negotiations held in Madrid were known, decided to hold a secret ballot regarding the acceptance of the agreement. Miguel Campoy, president of the business committee, defended the validity of the agreement before the workers because, as he said, "it opens the future of the Sagunto plant to possible negotiations." "Now," he said, "mill number 28 must be buried with dignity." At the closing time of this edition the voting was about to start.

The position of the CC OO [Workers' Committees] and the UGT [General Union of Workers] presumes to restore the situation to the time before the conflict, thus avoiding the penalties related to the mill's shutdown, the beginning of which triggered the crisis, and initiating negotiations about the future of the Sagunto plant.

Sources in the Ministry of Industry and the INI itself insisted yesterday on their purpose of going ahead with the shutdown of this installation as planned. The accord, which was reached shortly before 8:00 pm yesterday, was established as a "gentlemen's agreement."



## Future of AHM Directorate

Madrid EL PAIS in Spanish 23 Sep 83 p 48

[Text] The INI agreed yesterday to rescind the firing of 69 workers of the Sagunto structural mill and the employment and salary suspension papers of the rest of the 158 employees of this section if normal conditions are restored at the factory. Mill 28 will remain shut down and the workers will be transferred to other jobs. The agreement, reached shortly before 8:00 pm at the meeting that representatives from the CC OO and the UGT held with the vice president of the INI and the director of Mediterranean Blast Furnaces (AHM), was submitted to the Sagunto workers for ratification. Miguel Campoy, president of the business committee, defended the agreement at the meeting because, as he said, it opens "the possibility of negotiating the future of the Sagunto plant. Now we have to bury Mill 28 with dignity." Before the secret ballot was taken, the majority opinion seemed to be that the workers would accept the compromise. The agreement also calls for the convocation of the committee for the reactivation of the integrated iron and steel industry to analyze the plans of the three iron and steel mills, in particular AHM. Late yesterday afternoon sources in the INI and AHM ratified their position in favor of closing the main plant at Sagunto in an orderly manner.

### INI Agrees to Rescind

Madrid EL PAIS in Spanish 23 Sep 83 pp 48, 49

[Article by Felix Monteiro]

[Text] The meeting started shortly after 5:00 pm at the institute headquarters, the last try of the representatives from the CC OO and the UGT and of the directorate of the INI to revoke the firings and penalties in the Sangunto factory and thus avoid increasing the tension in the plant. Present from the INI were Julian Garcia Valverde, vice president of the institute, and the president of AHM, Jose Maria Lucia. Representing the UGT were Jose Luis Corcuera, secretary of the union administration committee, Antonia Puerta, general secretary of the Metal Federation, and Luis (Koldo) Contreras. Javier Martinez, union representative from the iron and steel industry, and Julio Martin Parra, technician from AHM, made up the delegation from the CC OO.

After more than 2 hours of negotiations and at times tense arguments, a "gentlemen's agreement" was reached. The president of the INI, Enrique Moya, did not attend the meeting but he was periodically informed of the development of the conversations. Throughout the afternoon, Moya received in his office the president of Siderometallurgical and Shipbuilding Industries, Eduardo Santos, and apparently he was in constant communication with the minister of industry and energy, Carlos Solchaga.

Before the final agreement, the delegates from the INI first proposed that the penalties be reduced and then that the union leadership should recognize in writing the principle of authority that resides in the AHM directorate to organize and make decisions regarding production. In the end the agreement was made contingent on the reestablishment of normal conditions in the factory at Sagunto.

In the morning, the directorates, because of the unilateral convocation of the committee for reactivation by the CC OO, reached the common proposal to restore the situation to that of the moment before the unruly acts in the iron and steel plant at Sagunto took place. According to this proposal, the workers at the structural mill of AHM would accept the shutdown of the mill and would consent to be transferred to other sections of the factory. At the same time, the INI and directorate of AHM would proceed to withdraw the 69 letters of dismissal (the number that was given yesterday as definitive) and the notices of suspension of jobs and wages initiated for the remainder of the 158 workers being penalized. Also the committee for reactivation should be convoked to discuss the future of the main plant at Sagunto. For the final agreement, it was essential that the three points be approved previously by the workers at Sagunto.

During the brief meeting that the representatives of the CC OO and the UGT held at 1:30 pm with the general director of Siderometallurgical and Ship-building Industries, Eduardo Santos, the agreement was reached to convoke the committee for reactivation of the integrated iron and steel industry, "no later than next Wednesday afternoon," with the agenda of the day covering the industrial plans of AHM, ENSIDESA and Blast Furnaces of Vizcaya.

Eduardo Santos considered that the subject of penalties was the exclusive concern of the management of the AHM and "its boss, the INI, inasmuch as it has to do with labor's lack of discipline," and for this reason the meeting with INI's top management was urgently called.

The spokesmen from the CC OO and the UGT, Juan Ingacio Marin and Jose Luis Corcuera, respectively, insisted on stressing that the objective of their proposal was to avoid an increase of tension in Sagunto that would have unforeseen and perhaps irremediable consequences regarding the AHM main plant. Corcuera observed that "this is not the right time to try out new things, political or of any other kind, when so many jobs are at stake."

#### The Best of the Alternatives

In contrast to the official version, that with the issuing of the decree of investment in the integrated iron and steel industry of last 6 July, the committee for reactivation has lost its reason for being, Eduardo Santos admitted yesterday that in next week's meeting "the application of the decree could become the subject of reports and discussions." Nonetheless, he specified that the substance of the decree is not under discussion and that it is impossible to envision a complementary line of investment or corrections to the final purpose of those already decided. For their part, the representatives of the UGT maintained that the reactivation committee should debate the future and the support of the main plant at Sagunto because the decree does not mention anything about its having to disappear. And for the CC OO, this means that there is a possibility of discussing its plan to the effect that with 16 billion pesetas invested, which in its opinion is less than the cost of creating alternative jobs, the survival of the main plant of AHM and the preservation of the jobs is guaranteed.

During a meeting held at Puerto Sagunto, attended by 5,000 persons and postponed until after 8:00 pm to take account of the result of the negotiations, the president of the enterprise committee of AHM, Miguel Campoy, came out in favor of the agreement between the union directorates and the management of the INI, reports Manuel Munoz. Campoy explained that there were two alternatives: one of them was to continue the struggle that the workers have maintained until now, on the same terms, and confront the government; the other, although not guaranteeing to save the plant, offers the advantage of having a fixed date for negotiating the future of Sagunto.

"Mill No 28 must be buried with dignity," said Campoy, referring to the section that the workers have kept in operation recently against the orders from the management.

The president of the committee for enterprise stated that the possibility of negotiations relating to the main plant had been the most important factor in the administration's conceding something that it had denied up to the present time. He added that today "we are risking a lot," and neither of the two alternatives being debated in the assembly could guarantee "our maximum objectives." After Campoy's presentation there was time for another speaker before proceeding to the balloting, which it was decided should be secret.

The proposal for possible solutions to the conflict came out of the meeting held in Valencia from midnight until after 5:00 am by members of the committee for enterprise of AHM and the minister of industry, commerce and tourism for the government of Valencia, Segundo Bru.

The minister reported that at the meeting it was agreed that in exchange for the suspension of the penalties, the workers would agree that the persons attached to rolling mill No 28 would report to the new jobs assigned to them by the management.

Following this meeting the minister of industry himself, Carlos Solchaga, was informed about the agreement, thus preparing the way for the negotiations held in Madrid. According to informed sources, the minister made arrangements so that yesterday the dismissed workers would be permitted to return to the factory.

#### The Letters Arrived Simultaneously

The letters of dismissal addressed to the workers who returned from their vacations to start up mill No 28 arrived simultaneously. All of the workers also received personal telegrams.

The letters informed them about the layoff and also mentioned Article 54 of the Workers Statute and specified two counts. The first, to have incurred clause B of said article "for lack of discipline and for disobeying the orders proceeding from the manager, who was exercising his organizational powers, transmitted by means of a letter dated 7 September 1983, in not reporting to the work station specified therein." The other was "to have been absent from work repeatedly and unjustifiably."

There was continuous speculation on the possibility that the provision of fuel and electricity might be interrupted by the company with the purpose of shutting down the factory. If the supply of coke does not arrive within 7 or 8 days, there will be a rapid cooling off in the process of cast iron production, which would seriously damage the installations." Julian Izquierdo, of the CC 00, expressed himself thus.

9907

CSO: 3548/511

## EXPROPRIATION OF PUBLIC, WORKER COMPANIES SPECULATED

Istanbul DUNYA in Turkish 18 Aug 83 p 5

[Article by Azmi Erdem, board chairman of Koytas Textile Industry and Trade, Inc: "Is Finance Ministry Planning Nationalization of Multiple-Partnership Public and Worker Firms"; passages enclosed in slantlines capitalized in print]

[Text] The launching of /"multiple-partnership public and worker firms"/ which, as known, began in our country in the 1970's is a socio-economic phenomenon that even foreign economists and research organizations, having dubbed it the /"Turkish model"/, are attempting to analyze.

As I pointed out in our study entitled /"Multiple-Partnership Public and Worker Firms"/, which was published in the newspapers TICARET on 11 September 1982, DUNYA on 10 September 1982 and RAPOR on 13 September 1982, the brand new industrial force which the small savers among the public and our workers employed abroad attempted to bring about by working together has not so far, unfortunately, received the attention expected from the state.

Since these local initiatives, which sprouted in various regions of the country, received no state support in the form of guidance or incentives other than /"encouragement"/ at the time, they either had the initial investment melt away at the outset, were abandoned during construction or faltered during the equipping stage. Only a few of them were able to carry through to production. Some of those which went into production later locked their doors owing to inadequate capacity utilization or the squeeze on operating capital. A portion of the ones managing to survive today are hard pressed by the foreign credits which have eliminated the /exchange rate guarantee/ and rising interest rates. Most of the survivors, under the cane of their creditor banks, are changing hands in favor of holding companies. Thus, these valuable businesses which our people and our workers abroad joined hands with high hopes to create are about to be alienated entirely from the purposes for which they were founded.

This being the picture, both our workers employed abroad and our small savings holders have justifiably ceased putting their savings into this sort of investment.

Meanwhile, these incontrovertible facts are known in our country: Our population growth is in the top ranks of world nations. To the more than 5 million unemployed already on the rolls, approximately 1 million new ones are added each year. Even the gates of the smallest businesses are being forced, justifiably so, by /job demands/ from the ranks of the unemployed. Both national income growth and investments are way behind last year, and the plan goals as well. Despite all the fretting and good intentions, /inflation/ is putting intolerable pressure on families with fixed and low incomes.

With our country in the predicament sketched roughly above, the State must mobilize all its potential and resources to avoid being merely a spectator of this voluntary action on the part of our people and our workers at this time when the Turkish people are fighting with all their strength to achieve a viable and sound economic life. In fact, the /multiple-partnership public and worker firms/ spoke out after /12 September/ and communicated their problems to the /council/, prompting our distinguished head of state's directive on /salvaging/ the /multiple-partnership public and worker firms/. As will be recalled, our distinguished head of state backed up this decision with the figures in his speech at Nigde not too long ago.

The State Industrial and Worker Investment Bank, known as DESIYAB, was appointed by our distinguished head of state to prevent the divestiture of the multiple-partner public and worker firms by certain holding companies. As will be recalled, DESIYAB had been set up under special legislation for this purpose in 1976. It has been performing this function ever since that year. Quite often, /multiple-partnership public and worker firms/ have seen support from DESIYAB through either credit or participation. Indeed, as small a resource as /1 billion Turkish liras/ has prevented the divestiture of quite a few of the publicly- and worker-owned firms in the past 2 years. DESIYAB has pursued an active, decisive policy, especially in the past year, and we find its courageous and bold initiatives in this regard praiseworthy.

DESIYAB has, as stated earlier, become seriously involved in many multiple-partnership public and worker firms.

These valuable contributions of the '70's created by our people and our workers abroad by combining their small savings, while enjoying freedom from takeover by holding companies through DESIYAB intervention at a time when the discontinued /exchange rate guarantee/ and rising interest rates were driving them into a corner, are now caught between /Statutory Decree/ No 60 and the fear of /nationalization/.

/Statutory Decree No 60/, published in RESMI GAZETE No 18052 on 20 May 1983, in revising the state economic enterprises, gives DESIYAB a new framework, to wit: "The Council of Ministers may place all businesses in which DESIYAB holds 50 percent or more of shares under /subsidiary/ status." Yet, these businesses in which DESIYAB holds shares, in going to DESIYAB for help, were thinking only of state aid and support, not of a situation in which the state would confiscate these establishments which thousands of people had

joined together voluntarily to bring into being. Nothing of the kind. Besides, DESIYAB, in becoming a shareholder, buys these shares on condition that they be returned to the former partners. This practice is the first and foremost, and unalterable, rule of DESIYAB. This rule must at no time be confused with the unconditional purchase of shares.

People may say what they will, but the /multiple-partnership public and worker firms/ have been fighting a noble battle for years. They are a solution that our people have found to the /unemployment problem/ which has been mounting for many years and is still current today.

On the one hand, we want small savings put into investment, we want ownership of property spread over a broad base; on the other, we imply under the guise of /subsidiary enterprises/ that /industrial ownership is forbidden/.

The interesting thing about it is that during the 1950's and 1960's, there was no small degree of writing, discussion and planning for the turnover of the state economic enterprises to the private sector. Now, we are trying to turn the private sector into the state sector. How incredible a contradiction!

The years of ideological upheaval in our country and its consequences are something with which we are all now familiar. Indeed, after seeing how the Turkish State was saved from oblivion and how the Turkish Nation was pulled back from the brink of permanent tragedy and turned around, we must accept, post-12 September, the need for even more than before of this kind of public initiative toward ownership and management.

What is supposed to be wrong? Supposedly, poor management, inefficiency, dishonesty. This is possible, but it is not sufficient. We as citizens may hide behind this kind of excuse, but not the state. In the language and thought of the Anatolian people, /state/ is equivalent to /father/. Guidance, correction and punishment, these are the duty of the state and within its power.

What will happen when the multiple-partnership public and worker firms acquire /subsidiary enterprise/ status? Let us explain:

1. The management and technician group attracted to this type of business will take their hats and go elsewhere because of the impotent wage policy in the state sector.
2. These businesses will fall behind in both capacity and quality, as they will lose their private-sector flexibility.
3. Red tape will abrade the work ethic and creative impulse now existing in these establishments.
4. Progress will give way to tedium.

5. All the competent employees will leave and the only ones left will be those unable to find employment elsewhere.

The final picture is one of a national asset sadly turned into piles of steel and cement, their doors locked.

None of us wants to see such a picture, I'm sure.

In that case, let us not push DESIYAB into this kind of conceptual controversy. It would be a pity both for DESIYAB and for all the /multiple-partnership public and worker firms/ whose hopes are pinned on it.

8349

CSO: 3554/410



## SPO'S AKTURK SUMS UP ECONOMIC COURSE IN RESIGNATION SPEECH

Istanbul CUMHURIYET in Turkish 17 Sep 83 p 9

[Text] Yildirim Akturk, who resigned from his post as undersecretary at the State Planning Office [SPO] yesterday distributed a farewell message to SPO employees.

Akturk's farewell message is summarized below:

"I am leaving the post of SPO undersecretary which I have held since September 1980."

"Beginning in early 1980, I participated first in the operation and practice in our economic history known as the 24 January economic stabilization measures and later as your undersecretary to the Economic Planning Bureau director."

"As an organization, we made extensive contributions--far beyond that expected--to the rescue of our economy from the shortages, deprivations and black marketeering that bordered on general bankruptcy, and to the achievement of today's positive environment--one characterized by foreign authorities as "Turkey's Miracle." Our organization, in the period we served, became a respected one that gained the influence it deserved in the state administration."

"Furthermore, the Incentives and Implementations Office which we established at the beginning of 1980, displayed a dynamism in realizing the export mobilization that was so important in the success of our program and in overcoming the transportation bottleneck. That was a dynamism rarely encountered in a bureaucracy."

"In our economic development, with the realization that our SEE [State Economic Enterprises] resources had the ability to make decisions, we emphasized the principles of delegating authority to their officials in order not to become bogged down in minor decision making and of giving precedence to allowing the market mechanisms to operate more fully."

"Our organization succeeded in performing serious, high quality work in the shortest time, responding to the needs of the efforts undertaken by the Money Credit Organization and the Economic Organization."

"We did not hesitate to make decisions for fear of erring. We felt as much responsibility in making a "no" decision as in making a "yes" one. We recognized our mistakes on the spot and corrected them promptly. With the idea of getting better each passing day, we established the principle for ourselves of not being content with what we did. We avoided loudly proclaiming that we always knew best."

"There is no magic solution or short cut to economic development. If we want to prepare a better, more prosperous Turkey for future generations, then it is without doubt that for years to come, all elements of society must work hard and profitably."

12280  
CSO: 3554/2

## TURKISH BANKS ACCELERATE FOREIGN BRANCH DRIVE

Istanbul DUNYA in Turkish 17 Sep 83 p8

[Text] EUROMONEY, one of the world's famous economic magazines, published as article on the Turkish banking sector in its September issue.

The magazine noted that the new banking law which went into effect in Turkey in July, has been favorably received in banking and industrial circles. It pointed out that Turkish bankers are, for the most part, in a rush to open branches abroad and, conversely, foreign bankers are taking steps to operate in Turkey. EUROMONEY reported that a number of the world's foremost banks such as American Express, Banco di Roma, and BCCC Holanse Bank have operated in Turkey and it stated that several foreign banks including First National Bank of Boston were continuing efforts to open branch offices in Turkey.

EUROMONEY stated that on the question of Turkish banks opening branches abroad, the government has been helpful, however, it has not given permission for several banks to operate in one area in order to avoid overcrowding.

EUROMONEY magazine went into the Eke and Toros mountain poultry produce farms and the financing that the Ziraat Bank extended to farmers. It described Turkey's Is Bank's London operations and Yapi Kredi Bank's Bahrein activities and it provided information on the Osmanli Bank whose stocks are 45 percent owned by Paribas.

The magazine also quoted Turkish industrialists and businessmen on the banking sector and on general economic conditions.

Akbank chairman of the board Erol Sabanci, interviewed for EUROMONEY, said that foreign bankers were accelerating their efforts to open branches in Turkey. He went on to say, "We do not feel that the foreign banks will be competing with us. Considering that these banks will jointly enter into several new operations, we feel that this will be to our country's advantage. When other countries see that their banks are in Turkey, they will send their industrial companies here too."

Sabanci said that he loved living in England and that everybody in Turkey wants to send their children there for education. He discussed the operations of Akbank and other Turkish banks in London.

TUSIAD [Turkish Industrialists and Businessmen Associations] general chairman, Ali Kocman, in his interview with the magazine, said that foreign banks have a wide range of activities in Turkey and that it is very easy for them to make profits. Kocman, who stated that proposals to open branches had come from the Gulf countries, Hong Kong and Pakistan, maintained that a large percentage of Turkey's banks wanted to undertake activities abroad but that obtaining permission from the finance ministry was still difficult.

12280

CSO:3554/2

## EBSO HEAD ON INDUSTRIAL ASSETS, MARKETS, MAIN AEGEAN FIRMS

Istanbul CUMHURIYET in Turkish 13 Sep 83 p 9

[Text] The 100 largest companies of the Aegean region have decided for the first time by EBSO (Aegean Region Chamber of Industry). Ersin Faralyali, EBSO chairman of the board, said: "As industrialists we are in need of state support."

In a press conference yesterday, Faralyali announced that the 100 largest firms in the Aegean region have been decided for the first time, the criteria being gross revenue and number of employees. He also touched upon topical issues. During the breakfast/conference, Faralyali referred to the soundness of the decision concerning 'Reassessment' and said that: "Our industry can establish the reinvestment/external financing balance through reassessment. At a time when finding new sources of financing is very difficult, the prestige of industry is bound to increase." Pointing out that industry has been denied credits, Faralyali made special mention of the high cost of credit and the increase in 'cost inflation'. Noting that the cost of credit is a major factor in total costs, he said: "The cost increases are ultimately paid by the man-in-the-street. Those firms which appeared to make profits to the order of 60 percent prior to 1980, had, in fact, been losing money during the spate of inflation which went over 100 percent."

Drawing attention to the increasingly frequent visits by foreign delegations in recent days, reporters asked: "What has been gained by our region as a result of this traffic in delegations?" Faralyali gave the following answer:

"The Middle Eastern countries are in search of a new system. Kuwait and Iraq for instance. They have formed various cooperatives. These cooperatives are giving guidelines to the import organizations. The incoming delegations witness the improvement of Turkish industry with their own eyes. Delegations initially intending to purchase food and construction material later become interested in a variety of goods. For instance, as a result of these visits Iraq has upgraded Turkey from the ninth to the third position in terms of preference."

Faralyali, noting that it is for this reason that they are asking for state support, maintained that unless credit is provided for agricultural produce it would be difficult to reach 1983 export targets. Reminding that, until 1980, the World Bank provided a total of \$2 billion in credit, he added: "During the

1980-82 period, however, credit given by the Bank has gone over \$2.6 billion. This can be attributed to Turkey's success." Faralyali pointed out that with the provision of new credit, agreements with Iraq allow for \$1 billion worth of Turkish exports, adding that agreements with Iran have not taken effect as yet.

#### The Hundred Largest Firms in the Aegean

Noting that for the first time the 100 largest firms in the Aegean region has been decided according to their gross revenue and number of employees, Faralyali announced that 56 percent of these firms have sales figures of over 1 billion TL and 59 percent employ over 200 workers. He mentioned that the scope of the survey will be expanded next year. The first ten among the 100 largest firms according to the EBSO survey is as follows:

- METAS-Izmir Metallurgy T.A.S.
- SEKA-Dalaman (papermill)
- BMC A.S. (automotive)
- TURYAG A.S. (vegetable oils, soap)
- DYO A.S. (paint)
- EGE Gubre A.S. (fertilizer)
- EGE Biracilik ve Malt A.S. (beer)
- Turk Tuborg A.S. (beer)
- CIMENTAS-Izmir T.A.S. (cement)
- Durmus Yasar and Sons A.S. (paint)

12466

CSO: 3554/429

## DESIYAB EFFORTS TO FOCUS ON AGGREGATE COMPANIES

Istanbul CUMHURİYET in Turkish 13 Sep 83 p 9

[Text] The State Industry Labor Investment Bank (DESIYAB) is saved. The Budget Planning Commission of the Consultative Assembly (CA), having made an amendment in the Directive No 60, has brought the Bank under the rules of exemption thus preserving its status as a specially chartered bank. It is expected that the CA General Assembly will pass the amendment proposed by the commission. The representative of the Ministry of Finance made a positive recommendation concerning the amendment.

"The Directive Concerning State Economic Enterprises and Public Economic Enterprises", published in The Official Gazette on 20 May 1983, becoming operative on that date, provided for the affiliation of DESIYAB to the Ministry of Industry and Technology (despite the fact that it was founded by special charter) thus making it next to impossible for it to support joint-stock companies.

The Budget Planning Commission of CA, having changed DESIYAB's status, placed the Bank under clause 63 which contains exemptive rules. The new exemption clause reads: "Ataturk Forestry Farms, the Central Bank, Eregli Iron and Steel Works, T ls Bank, the State Industry Labor Investment Bank, ILLER (Municipalities) Bank, Municipalities Special Administration and those Economic Enterprises the capital of which are owned by the municipalities or in which they hold majority shares are not subject to the rules promulgated by this law."

It appears that under its new status DESIYAB, which is vital to the future of companies formed by workers and joint-stock companies, will remain as before. The objective of DESIYAB, which was founded on April 17, 1975 by Law No 1877, was defined as follows: "It will convert the savings of our people and citizens working abroad into an economic force and will strive towards rendering these savings profitable and productive."

It is expected that the amendment in question will be discussed in the CA General Assembly and be ratified. Meanwhile, as it became quite certain that DESIYAB will effectively function as a special bank, preparations began for the realization of 16 billion TL aid program envisioned by Adnan Baser Kafaoglu, the Minister of Finance, with a view to improving the effectiveness of joint-

stock companies. It is learned that, Dr. Halit Kara, director-general of DESIYAB will be visiting Federal Germany shortly, holding talks with the officials of the Ministry of Economic Cooperation. It is reported that director-general Kara and German officials will discuss ways in which 5 billion TL worth of aid will be put together by the Germans. It is envisioned that 5 billion TL will be jointly covered by T. Is Bank and Ziraat Bank, and the remaining 5 billion TL by the Treasury.

Meanwhile, following DESIYAB's release from the scope of Directive 60 its capital will be increased to 50 billion TL, as is the case with the other organizations in the same category. It is thought that with such an injection of cash, the Bank (the current declared capital of which is 1 billion TL) would be better equipped to offer support to joint-stock companies.

12466

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## GROWTH, EXPORT, IMPORT TARGETS FOR COMING YEAR

Istanbul DUNYA in Turkish 8 Sep 83 p 3

[Text] Ankara (TURKISH NEWS AGENCY)--Work is in progress on the consolidated budget for fiscal year 1984 for review by the Supreme Economic Council. Targets for 1984 are 5-percent growth, 6.8 billion liras in sales abroad and 11 billion liras in purchases abroad, according to information obtained.

Investment appropriations in the 1984 budget will be raised 26.1 percent over last year to 750 billion liras, according to information from the Ministry of Finance. Current expenditures besides investment appropriations in the draft budget are targeted at 1.5 trillion liras and transfers, at 1.05 trillion liras. Data showing growth in current expenditures at 20.4 percent and in transfers at 18.8 percent thus indicate that the size of the consolidated budget for fiscal year 1984 will be 3.3 trillion liras. This represents a predicted growth of 21.2 percent over the 1983 budget which, as known, was 2.6 trillion liras.

The rate of growth of the 1984 consolidated budget, however, is lower than in 1983. The 1983 budget was 30.6 percent larger than the 1.804 trillion liras in budget appropriations in 1982. The "policy of slowing down the rate of increase" envisaged in the general budget was honored in current expenditures, investments and transfers. Thus, while 1983 current expenditures were 33.1 percent higher than in the 1982 budget, rising from 798 billion liras to 1.193 trillion liras, 1.5 trillion liras for 1984 represents an increase of 20 percent. Investment expenditures were raised in 1983 from 389.5 billion liras to 554.9 billion liras, an increase of 29.7 percent over the previous year. The target in 1984 is 750 billion liras, a 26 percent increase. Transfers in 1983 were 27.5 percent higher than in the previous year, while in 1984 they will be 18.8 percent higher than the previous year.

8349

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## EXAMINATION OF STAGNANCY IN TURKISH-EEC RELATIONS

Istanbul DUNYA in Turkish 8 Sep 83 p 1

[Text] Ankara (DUNYA)--When Turkey "mounted the election platform" its "relations on the official level" with the European Economic Community were frozen. While the organs guided by the EEC wait for the outcome of the 6 November general elections and the first "indications" of what the new parliamentary period they will define will be, there is no question of "any contacts on a global level on the existing problems" between the community and Turkey.

According to information from official circles, it does not seem possible for matters to be developed at the government level in view of the present state of relations after "the impasse reached at the private sector level" on the known problems, especially textiles. The "direction" which the "multi-dimensional" problems between Turkey and the EEC will take will be determined when the new government takes office after 6 November by its "approach and the policy it will formulate." For this reason, the organizations responsible for EEC affairs are aiming their research and efforts more towards the future.

It is in this framework that a series of meetings has been arranged at the State Planning Organization to examine the effects on Turkey should Spain and Portugal follow Greece into full EEC membership. At these meetings, the existing state of these nations' economies and the direction they will take in the event of partnership, advantages and disadvantages will be examined "as related to Turkey's situation."

Meanwhile, the State Planning Organization and the EEC office had prepared a comprehensive study following a recent briefing, at President Evren's directive, of the National Security Council on the effects on Turkey of Greece's joining the EEC. According to the study, which included a detailed analysis of the Greek economic structure and the problems and developments it has encountered in the EEC framework following full membership, one of the first reflections of this situation on Turkey appeared in the area of exports of agricultural products. "Now and in the event of full membership," Turkey will meet still resistance from this country in the community framework. The EEC office's study lists the products on which the two nations will "clash" in exports of agricultural products as cotton, olive oil, tobacco, fresh fruits and vegetables, grapes and figs, stating that Greece now sells 20 percent of its

cotton crop to the EEC. The study found that this country supplies 30 percent of the community's total olive oil needs and 26 percent of its tobacco. Drawing attention to Greece's relative superiority in exports of fresh fruits and vegetables, the study notes that this country accounts for 9.9 percent of community imports and its full membership is also problematical for Turkey as regards raisins.

8349

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## KAFAOGLU ON FOREIGN TRADE DEFICIT, LOAN INTEREST

Istanbul DUNYA in Turkish 8 Sep 83 p 1

[Text] Ankara [TURKISH NEWS AGENCY]--The foreign trade deficit in 1983 will be \$2.8 billion, 10.6 percent lower than in 1982, says Finance Minister Adnan Baser Kafaoglu.

In a TURKISH NEWS AGENCY interview, Finance Minister Kafaoglu said that "the 1983 economic program called for \$6.6 billion in exports and \$9.4 billion in imports. If these goals are realized, our foreign trade deficit, which was \$3.097 billion in 1982, will be 10.6 percent less at \$2.8 billion."

Noting that the estimate for the current payments deficit in 1983 was around \$600 million, Kafaoglu made the following statement on this topic:

"Worker remittances are expected to be near last year's level of \$2.187 billion, net tourism earnings are expected to be \$275 million, and other exchanges of services are expected to net \$1 billion.

"On the other hand, it is thought that the 1983 debt service on our foreign loans will be \$1.3 billion.

"Under these circumstances, the current accounts deficit for 1983 is estimated at around \$600 million. As known, Turkey's current accounts deficit was \$2.052 billion in 1981 and \$1.166 billion in 1982."

Asked about efforts to eliminate the balance of payments deficit in 1984. Finance Minister Kafaoglu replied:

"1984 will be a positive year for Turkey as regards psychological factors owing to the restoration of democracy and its increased international prestige.

"First among external factors, positive developments in the U.S. economy, which it is now clear are not accidental, look as though they will have positive effects on the trade ceilings and export quantities of other countries in 1984. Owing to declining oil prices on the one hand and continuation of the Iran-Iraq war on the other, a slight decline is expected in 1984 in the rate of increase of our exports to these countries in recent years.

"To give an example, if I may, if our exports to Iraq had been at the same level as a year previously, there would be no need even to mention a slowdown in the

rate of increase of our exports. It is for these reasons that Turkey has provided Iraq an export financing facility. The effects of it will show up in the second half of 1983 and in 1984."

Meanwhile, Kafaoglu had also said that sugar beet growers had not been paid all of the 25 billion liras owed them by the sugar enterprise in the past 2 months.

Stressing that there had been no complaints from growers, Finance Minister Adnan Baser Kafaoglu said in a statement to the ANATOLIAN AGENCY:

"We have paid the Soil Products Office 45 billion liras to date. I do not think it is an excessive debt. The Soil Products Office has 9 billion liras owing on its accounts payable. It also has paid-up accounts. This is not an unpaid debt. There is a normal wait of a day or two in the 1,500 offices. This is the daily backlog. The producers have nothing to complain about, because we are making the payments."

8349

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## TURKIYE IS BANKASI OPENS LONDON BRANCH

Istanbul DUNYA in Turkish 8 Sep 83 p 1

[Text] Ankara (DUNYA)--The "official" opening ceremony and reception for the London branch of the Turkiye Is Bankasi [Turkish Labor Bank] which opened for business on 27 June will be attended today by a delegation headed by Finance Minister Adnan Baser Kafaoglu.

Finance Minister Adnan Baser Kafaoglu left for London for this purpose yesterday afternoon, accompanied by Central Bank head Osman Siklar and Treasury general secretary Tefvik Altinok. Burhan Karagoz, Turkish Labor Bank general director, and other bank officials and board members, including deputy director Aydogan Belen, also accompanied Finance Minister Adnan Baser Kafaoglu to London.

The London branch, according to information obtained from bank officials, will be active in the "international money market," unlike other branches opened abroad to date. Referring to London's status as a major international money exchange along with New York, Zurich, Hong Kong and Kuwait, officials said the purpose of today's reception was "to acquaint a select segment of British financial and business circles with the Labor Bank and its London branch." Finance Minister Adnan Baser Kafaoglu is expected to meet with the British trade secretary and the governor of the Bank of England in this connection.

Meanwhile, the Turkish Labor Bank reportedly has a new branch in the final stage of preparations for opening in Berlin, West Germany, and this branch will open for business "very soon."

Turkish Labor Bank officers said that the London branch, after completion of the "organization" procedures, would "begin money transactions" and join "similar large banks" in international capital activities.

The Turkish Labor Bank, in expanding its foreign organization for a first foray into the international money markets with its London branch, also bears the distinction of being the "first Turkish bank" to enter this field. The Labor Bank opened its first branches abroad in 1934 in Hamburg and Alexandria. The Hamburg branch, established to provide an outlet for exports and facilitate their sale, closed in 1940 in the difficult conditions created by World War II. The Alexandria branch closed in 1959 when banks were nationalized following the coup in which Egyptian King Faruk was deposed.

## BARLAS EYES INDIVISIBILITY OF POLITICAL, ECONOMIC STABILITY ORDER

Istanbul MILLIYET in Turkish 13 Sep 83 p 1

[Editorial by Mehmet Barlas]

[Text] We should never forget that, in Turkey, political stability and the survival of the democratic model depends upon the continuance of economic stability.

Considerable measures have been taken during the last three years to cure the chronic ailments of Turkish economy. However, if these measures are not coordinated with the necessary changes in direction it is just possible that we may go back to square one.

If Turkey is to embark upon a policy of expansion, increasing its investments and public expenditure, it has to increase its public revenue and domestic savings. This means that, tax revenue and the profits of public economic enterprises should go up, and that the state and private sector should offer incentives for domestic savings.

If sacrifices are not going to be demanded of citizens with regard to taxes and prices, then the price of economic growth in Turkey will be inflation.

All political parties and relevant economic sectors have to be aware of these fundamental choices.

We should point out that there are certain negative indicators requiring prompt decisions.

For instance, certain public economic enterprises have reached the point of becoming a burden on the Treasury, and thus the Central Bank, yet again. The Monopolies' debt to the state is over 100 billion TL. Sugar is sold at prices below profit margins. Since the increase in the value of the dollar is not transmitted to the domestic price of oil promptly, the fuel price stabilization fund is continually receiving state subsidy. As seen during the previous months, indecision in monetary and credit policies lead to expansions and contractions with mostly unfavorable outcomes for exports.

All these developments seem to conspire to push the inflation rate up.

The business world should get rid of some of its 'structural' habits... They should stop borrowing heavily from the banks only to stockpile goods and to buy up other companies (as the saying goes, they behave as if they would be prepared to die if only the casket were on loan!).... It should not be forgotten that money is not for free.

All political parties should explain these facts to the people. The present government should stick to its decisive stance even if it would last until the elections.

As far as IMF and other external organizations are concerned, we should make it clear to them that our success will not be ephemeral. Only in this way can we ensure the continuous availability of external financing which is part of our overall development funding.

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## TOP MONETARY OFFICIALS EXPRESS STEADY ECONOMIC POLICY

Istanbul CUMHURİYET in Turkish 13 Sep 83 pp 1, 11

[Text] In his opening speech at the 'Turkey Panel' (jointly organized by the magazine Institutional Investor, Union of Chambers and Turkish Banking Union) Adnan Baser Kafaoglu, the Minister of Finance, said: "Turkey will maintain its successful economic policy of the last few years. The focus on the outside world will be maintained, tight-money policies will be continued and while state intervention in the economy will be reduced, necessary measures will be taken to increase the dominance of the market economy."

Addressing an audience of about 400 Turkish and foreign businessmen, Kafaoglu stressed that unfavorable conditions in world trade, and the protectionist policies applied to the EEC countries in particular, have an adverse effect on Turkey as well. Concluding his speech, Kafaoglu said: "Turkey is a very promising country for foreign capital."

The second speaker, Mehmet Yazar, chairman of the Chambers of Commerce, said that there have been favorable developments in the economy since 1980, though he expressed concern about the delay in private investments and developments observed on the inflation and export 'fronts' during 1983.

Yazar (who, like Kafaoglu, spoke in English), pointed out that shortage of capital is the most important problem facing Turkish industrial firms and suggested that foreign capital might play a major part in mitigating this shortage. Yazar pointed out that Turkey's large domestic market and its proximity to Middle Eastern markets enhance its attractiveness for foreign capital.

Tevfik Altinok, secretary-general of the Treasury, reiterating the point that Turkey's domestic market and labor resources would be attractive for foreign capital, suggested that foreign capital might play a major part in closing the savings gap.

Explaining that central bank support for public sector is increasingly reduced, Osman Siklar, the governor of the Central Bank raised the topic of export credits. He pointed out that "export credits which were over the 136 billion TL mark in July 1983 are far from satisfying the demand; however, anti-inflation policies and IMF ceilings do not permit further expansion in their volume." Siklar was quick to point out, however, that there were new facilities offered to exporters who intend to use 'pre-financing' credits and that these new facilities should be utilized.

Yavuz Canevi, deputy governor of the Central Bank, making an assessment of Turkey's external finance requirements after 1983, noted that, given certain assumptions, Turkey's external finance deficit will remain at the \$500-\$600 million level in coming years and that it would be possible to secure this sum from international markets.

During the subsequent question-answer period (which was closed to the press), foreign guests asked questions concerning the reduction in workers' remittances from abroad and the effects of Iran-Iraq war on Turkey's external trade. Central Bank governor Siklar pointed out that the reduction in workers' remittances have largely been due to the shift to foreign currency deposit accounts and that these accounts are expected to show big increases. Turkish officials pointed out that cessation of hostilities between Iran and Iraq would not necessarily have an adverse effect on Turkey's exports to these countries. Turkey's exports which gained a boost in the initial phases of the war will not decline but, on the contrary, will continue to increase with a greater range of products after the war, the officials said.

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## U.S. ARMY EMPLOYEE ACCUSED OF ESPIONAGE FOR GDR

Hamburg DER SPIEGEL in German 19 Sep 83 pp 104-107

[Text] An espionage case in the Palatinate reveals:  
Secret NATO papers land in the garbage can.

Hans-Joachim Schneider, a Saxon, worked for the Americans for 12 years, and "basically" he "never was badly off with them."

Schneider was a stoker in the Miesau ammunition depot near Kaiserslautern, received DM 1,800 a month net, and also earned something on the side. After work Schneider carried out of the depot many a dutyfree gallon of whisky, many an inexpensive carton of cigarettes. Over the years, worn-out digital clocks, scrap metal, and clothing, sometimes also military medals were converted into money by the stoker.

For even the things that were not worth anything to anyone else, Schneider was able to put to good use. Day after day he rummaged through the garbage containers all over the base, put his finds into boxes, and took them home on the baggage rack of his motor bike.

He was never checked. No security officer paid any attention to what "Kuebel-Achim," as his colleagues called him, put into his boxes. This was kept up until one of Schneider's relatives squealed.

Now the stoker is in pre-trial confinement--as a top-grade GDR agent. Many of the things that Schneider took from wastepaper baskets and garbage cans at the "Miesau Army Depot" is said to have been top secret material. In Miesau, the biggest and most important ammunition depot of the U.S. Army in Europe, all weapons and ammunition parts of the U.S. and Canadian NATO troops are kept in readiness, modernized or destroyed.

Since 1971, Schneider is said to have delivered mountains of manuals on tanks and missiles to the East Berlin MfS (Ministry for State Security). The chief federal prosecutor regards the

utilization of waste as an "especially serious case" of a "secret service activity" for "the secret service of a foreign power."

Silvia Wilson, 23, Schneider's daughter, who allegedly was initiated in everything, was a codefendant before the division for state protection of the Koblenz Regional Appeals Court. Also involved in the case are Schneider's wife meanwhile (deceased) and Hanna Noetzel, an East Berlin cousin. Schneider's son-in-law Walter Wilson, a U.S. soldier, was sentenced by a U.S. military court to four months at hard labor for "misprision" of the espionage case.

Schneider certainly won't get away that easy. The stoker faces 10 years in prison.

However, the "real scandal," according to Schneider's attorney Juergen Guth, is the "colossal negligence of the U.S. superiors" that "ought to be punished."

According to the investigators, since 1977 Schneider entered "without control" the upper stories of buildings in which written documents were lying around on shelves and desks on the "Nike" and "Hawk" missiles stored in Miesau. Halls and storerooms containing "all kinds of ammunition" [BKA, Federal Criminal Investigation Office] were open to him.

He was able to inspect maintenance manuals on tanks, personnel documents, regulations on combat readiness and weapons, even though the papers carried classifications such as "Confidential," or "NATO Secret." The offices of the most sensitive personnel frequently were open to him when at night the stoker was making his rounds, frequently alone. However, Schneider's assertion that he only passed on what he "discovered in garbage containers..." cannot be disproved," according to the investigators' findings.

His principals, "Werner" and "Rolf" from Halle were especially interested in documents with the inscription "missile," "nuclear" or "man."

Schneider has gotten to know the contact by the name of Werner in 1971 when he visited Cousin Hanna in Hohenmoelsen near Halle. The officer of the Halle Bezirk administration of the State Security Service already knew everything about the stoker, who, himself, came from Halle, in 1969 wanted to settle there, which was rejected by the GDR authorities. As Schneider recalls it, Werner promised "good pay" for "military documents" from Miesau. The garbage man willingly accepted because he saw an opportunity "to be able to improve his economic situation."

Henceforth Schneider was looking for things. Schneider and his wife took the finds, in gift wrapping and stowed in bags to West Berlin and then to the baggage checkroom of the East Berlin Friedrichstrasse railroad station. Sometimes they met with State Security people in safehouses in Kagerl or Frankfurt/Oder. Schneider's East Berlin friends called him "Herr Lift" and his wife, "Susanne."

For 10 years the couriers from the Palatinate reported on the arrival of "Reforger" maneuver troops in Miesau, on the repairs of infrared launchers or on the checkout of artillery ammunition and missiles.

In case Susanne had attracted the attention of the West German Office for the Protection of the Constitution or of the BKA observers during her travels to Potsdam, Halle or Wittenberg, codewords to inform Schneider had been agreed to: "Zwei-Bruecken" or "Gold" meant: "Destroy all incriminating documents"; "Silber" meant: "Stop, do not collect anything else!" If the East Berliners used the codeword "Eisenberg," then the Schneiders were supposed to "come to the GDR immediately"; if the word was "Baum," then a "call within 3 days" was to be expected.

When in 1979/80 travel became too difficult for Susanne, who had a heart condition, the East Berlin contacts met her in Mannheim. They arranged to meet in the church at the "Alte Markt" or in the one at Goetheplatz. When "the coast was clear," Hans-Joachim Schneider had to wear his cap. Then the papers were handed over in the Rosengarten Restaurant or in the park.

In the beginning the pay was DM 1,000 or DM 1,500 per meeting, not including expenses. During the 10 years, the espionage pay added up to DM 100,000.

Especially impressed were the GDR recipients in 1980 when "Herr Lift" brought 3 books still packed in their cellophane covering. They measured 16 by 30 cm; according to BKA investigations, he "had taken them in the usual manner from the garbage containers." According to his statement during the interrogation, even today he is amazed that this delivery in particular was accepted "with so much fuss," undoubtedly, Schneider said, "because it was identified as 'missiles' in heavy lettering."

Schneider, repeatedly praised for this find, received a special bonus of DM 500. The GDR government bestowed on him the "Order in Silver for Special Services"--an honor which, in the judgment of the Federal Office for the Protection of the Constitution, in

addition to the "extraordinarily high pay" proves how highly the Miesau agent was valued.

Actually everything went smoothly until Schneider's wife Ilse, alias Susanne, died and her husband had to walk on crutches for a long time after a serious accident with the motor-assisted bicycle. The MfS officers permitted cousin Hanna from East Berlin, who had initiated the espionage business, to go to the Palatinate as a nurse for a few weeks.

Slowly younger persons were to be recruited to continue Schneider's activities. Rolf and Werner recruited Schneider's daughter Silvia to take over her mother's role as courier for "a lot of money." First she consented and asked her husband Walter, a U.S. soldier in Miesau, to obtain manuals on missiles and other weapons systems. But Walter Wilson refused, however did not immediately report the case to his superiors and therefore was sentenced to "hard labor."

When Silvia (recognition sign: purple hair ribbon) then had a falling-out with her father who had left his stoker job in the depot, visits by State Security people to Silvia's door in Pirmasens were to no avail--she refused further cooperation.

Her attorney, Armin Stenger, therefore hopes that Silvia's part in the crime will "not be overrated." Rather, Schneider attorney Guth suggests "it should be made generally known" the things the U.S. military are throwing away. For example, when BKA investigators "spotchecked" the garbage containers of the U.S. depot in Miesau four weeks after Schneider's arrest, they found EDP (electronic data processing) printouts with names of soldiers, their competence and their levels of clearance, an inventory catalog on explosives belonging to the Miesau commander and rules of behavior for guards at demonstrations against the "Pershing II."

One investigator on the security situation in the depot: "A real mess."

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## UN COMMISSIONER CRITICIZES REFUGEE POLICY

Paris LIBERATION in French 17-18 Sep 83 p 19

[Article by A.B. Levy]

[Text] Bonn--Moslem refugees are forced to eat pork, there is a monthly allowance of 70 marks per head (totally inadequate for survival), other refugees are sent to mental hospitals, their children lack milk, there is unhealthy housing, and the reception by local inhabitants is icy.

In recent days, alarmed West Germans have been presented with a picture of the "FRG as a land of refuge" that was previously completely unknown--a picture emerging from a brandnew report by experts. And those experts are above suspicion, seeing that they work for the UN Office of High Commissioner for Refugees [UNHCR].

Exactly 1 year after Chancellor Helmut Kohl's Christian Democrats came to power, and at a time when the liberal-Christian Democratic government is stepping up its efforts to improve "human contacts" between the two Germanies and defending flouted human rights in the Eastern countries (notably in Poland), the scandal is devastating.

For the government, which allocates about 20 million marks to the UNHCR's budget (making it the world's third largest contributor), the shock was a brutal one, and the anger of the members of the government was scarcely concealed.

The high commissioner for refugees, Poul Hartling of Denmark, was expected in the FRG on Tuesday for an official visit but had to cancel his trip. Officially, the trip was "postponed because of scheduling difficulties." But that excuse did not hold up long against the winds of scandal breaking over Bonn with the publication in various media of the "good pages" from the report.

Beyond the quarrel between Genscher's liberals and the Christian Socialists under Franz-Josef Strauss and Friedrich Zimmermann, the Kohl government's entire "program for society" is being indicted: the policy on foreigners, unemployment, the right to demonstrate, and refugee assistance. So far, Zimmermann has been able in each case to impose his "hardline" ideas in the face of Genscher's liberals, who are trying to maintain a more moderate image of the FRG.

The result is that in the space of just a few months, Zimmermann has become the favorite person to hate for Vogel's Social Democrats, Genscher's liberals, and the Greens.

A 23-year-old Turkish refugee named Kemal Altun committed suicide on 30 August by jumping from the seventh floor of the West Berlin courthouse because he was threatened with expulsion to Turkey by the Ministry of Interior. The UN high commissioner for refugees, the European Human Rights Commission in Strasbourg, and Amnesty International had tried in vain to intervene on his behalf.

The press is currently reporting the case of an 11-year-old Turkish girl named Kiray Inci, whose father is dead and whose mother has disappeared. She lives with her uncle in West Berlin and is also in danger of being expelled.

On Thursday, Chancellor Helmut Kohl had to take a stand in Parliament. He described the UNHCR's report as "unacceptable" and did not hesitate to defend his minister of interior, Bavarian Christian Socialist Friedrich Zimmermann--the author, incidentally, of a bill that would make it possible to send a large number of immigrant workers back to their own countries. Zimmermann is also the sponsor of a bill to strengthen police powers during demonstrations.

For his part, the minister of interior remained silent throughout the debate in Parliament, while opposition leader Hans-Jochen Vogel accused the federal chancellor of being personally responsible for the scandal.

The affair has caused no end of embarrassment for the government, which is still totally divided on the issue: Hans-Dietrich Genscher, the (liberal) minister of foreign affairs, telephoned Hartling on Wednesday to confirm orally that the latter was still welcome in Bonn. Chancellor Kohl announced that he was also hoping to meet with the high commissioner.

But Zimmermann, on the other hand, announced that he would not meet with Hartling as long as the latter had not retracted the contents of the report--a totally inconceivable step.

A Soviet soldier named Yuri Ivanovich Vashchenko, who had been taken prisoner in Afghanistan and who had then escaped from his internment in Switzerland, was also recently denied the right of asylum in the FRG--obviously for different reasons. He will appeal the decision at the end of September.

But beyond those daily anecdotes in the press, the report by the UNHCR has been by far the most damning development for the federal government. The investigators, who visited six institutions in Bavaria, Hesse, Rhineland-Palatinate, and Baden-Wurttemberg, said: "Since 1981, German language courses have not been authorized because they would facilitate the integration of those seeking asylum. But," they note, "East Europeans benefit from preferential treatment."

The investigators, who recorded cases of suicide or attempted suicide due to despair, reported: "Isolation, separation from one's family, cultural uprooting, and refusal by the local inhabitants to have any contact with the refugees have particularly harmful effects."



Behind this scandal, the entire problem of foreigners in the FRG is assuming an increasingly clear profile: the 1.7 million Turks form the largest foreign community (followed by the Yugoslavs at 630,000), and they seem to be the prime targets. In the Bonn marketplace, 100 meters from the house where Beethoven was born, it is not unusual to witness unkind personal exchanges between German shopkeepers and Turkish customers, who are accused quite simply of having come to the FRG "to steal German bread."

Norbert Blum, minister of labor and social affairs, and Minister of Interior Friedrich Zimmermann went to Ankara some time ago to try to explain to unenthusiastic Turkish leaders why it was necessary for the government to submit a bill aimed at encouraging "voluntary departures" by immigrant workers by offering a "departure premium" of 10,500 marks plus an additional 1,500 marks per child.

Certain economic facts obviously take precedence in the Kohl government's eyes: there are more than 300,000 unemployed foreign workers--over 10 percent of the FRG's total number of unemployed (2.1 million). All things considered, passage of the bill would enable the government to save some 320 million marks in unemployment benefits and family allowances and to "export" some of its unemployment, as the Swiss have done in the past. But that policy, strewn with suicides like that of the young Turk Kemal Altun and with family separations (children over 6 years of age will no longer be allowed to accompany their parents to the FRG if the law is approved), distresses a good many Germans. And Helmut Kohl's government is in danger of coming away from the next debate in Parliament with its image tarnished.

11798

CSO: 3619/3

## NATIONAL FRONT'S STIRBOIS ON IMMIGRANTS, ELECTION

Brussels LE VIF in French 22 Sep 83 pp 68, 72

[Interview with Jean-Pierre Stirbois, secretary general of the National Front, by Jean-Pierre Stroobants; date and place not specified]

[Text] "The Bible teaches us to love our neighbor, not other people." That remark by Jean-Marie Le Pen, added to sensational--and shocking--expressions ("biological balance between nationals and foreigners" and "the migratory flood"), no doubt provides a very good explanation of the election atmosphere in Dreux. "If we are not careful, the Maghreb, which will have 100 million inhabitants in 17 years, will continue to export its surplus manpower. And France, if it does nothing, will become a country with another name: it will have disappeared." The speaker is a faithful follower of Le Pen. He is Jean-Pierre Stirbois, the big winner in the election that has just inflamed France. We met with the new deputy mayor of Dreux a few days after his election. He calmly explained to us his interpretation of the vote by the people of Dreux. Their vote has knocked the wind out of the Socialist left (even though the leaders of the PS are now trying to minimize its significance) and seems to have pleased the right, which in this case was led by realism even to form an alliance with the National Front. With one or two exceptions (Simone Veil or Olivier Stirn, a former minister under Giscard d'Estaing), the French center and right did not judge such an alliance reprehensible. According to them, it was only local and temporary.

What does Jean-Pierre Stirbois think about it? That was the first question we asked him. His answer was very revealing:

[Stirbois] The repudiation and sense of being fed up that were expressed in Dreux have also shown up elsewhere. That is why this election, even though local, will have repercussions at the national level. The real impact of the National Front will be seen in the European elections.

[Question] Specifically, you seem to feel that the current opposition leaders will need the votes garnered by your party if they are to return to power.

[Answer] Yes. The election in Dreux confirmed that we are the only ones who can take votes away from the CP and the PS. In places where those heading the opposition's lists rejected an alliance with us, the opposition was beaten.

[Question] But not everyone agrees with what you say.

[Answer] They are only a minority that carries no weight.

[Question] But Simone Veil...

[Answer] She never says anything and never makes a choice. That enables her to pick up Socialist or Communist votes! If she took a stand, she would lose a good share of her voters. For that matter, I believe that her comments on the Dreux election tarnished her image.

[Question] After this election, Mauroy appealed to the French for consensus, and President Mitterrand confirmed that the government would take firm action against illegal immigrants. Isn't that reasonable?

[Answer] The government has no immigration policy. Or rather, it does: the left considers it desirable for a maximum number of immigrants to form the new proletariat--the masses it needs to make a revolution. It sometimes talks out of both sides of its mouth (Editor's note: with bulldozer tactics or slanderous denunciations as required), but its strategy is clear: it has recruited 95 percent of the immigrants. The CP knows that from the electoral standpoint, that choice is not without its risks for the party, but it made the choice anyway. I therefore believe that the more the National Front is present in the Communist bastions, the more votes it will take away from the CP.

For its part, the PS is saying clearly that French society must change and become multiracial. No! We for our part want to preserve an identity and a country.

[Question] It is said of you and your friends that you are professed racists, and the balloting seems to confirm that.

[Answer] There is not one of our writings that can support that statement! The left is crying wolf, and the more votes we take away from it, the louder it shouts! Mauroy, Jospin, and Marchais took front-line positions in the Dreux election, proving that it was not only the UDF and the RPR that we took votes away from. And we will take away more votes, because the language we speak is modern and popular. It hits home with workers who are the victims of unemployment and insecurity, which itself is connected with immigration. Such problems are obviously not experienced by the middle class in the 16th arrondissement [in Paris] or Mrs Veil. We dare to say aloud what the French are thinking.

[Question] Being on the extreme right does not bother you. That brings up evil memories.

[Answer] I come from a family that fought in the Resistance. The only argument our opponents can come up with is the resurrection of Hitlerism. But the present situation cannot be compared in any way to the situation in 1933. Our program is one of the popular right. It resembles the program presented by Reagan or Thatcher. Great Britain found an iron lady in its time of crisis. We need women and men of iron. Reagan was considered a fascist at first by the leftist intelligentsia in France.

Our philosophy, notably in economic matters, is the exact opposite of fascism or Nazism. Why are we classified as "fascists"? Because we have already declared ourselves to be anticommunists first and foremost.

[Question] In what other movements do you recognize yourself?

[Answer] I don't know--the rightwing of the British Conservative Party, the Popular Alliance in Spain, or Strauss' party in the FRG.

[Question] As deputy mayor, will you turn Dreux into a laboratory in the matter of immigration?

[Answer] No. It is a matter of reversing the flow of immigration: of coming up with solutions like those applied in the FRG--which were decided on, incidentally, by Helmut Schmidt. Our voters expect us to take action, notably against the flagrant insecurity in Dreux. They also expect us to erase intolerable images: those of immigrant families receiving multiple allowances that can sometimes border on 20,000 French francs while a French worker who gets up at 6 o'clock in the morning earns 4,000 or 5,000 French francs and arrives home late in the evening while the immigrants look on. I will see to it that the abuses disappear.

Excessive? No doubt. But it pays off. And when I mentioned Roger Nols to him, Jean-Pierre Stirbois, who is not very well informed about current affairs in Belgium, told me he had heard of the mayor of Schaerbeek.

11798

CSO: 3519/11

## PASOK SEEN AVOIDING DEFINITION OF PRINCIPLES, IDEOLOGY

Athens ANDI in Greek 2 Sep 83 p 3

/Text/ Nine years have passed since the day Papandreou, with the "Declaration of the 3rd of September," set the foundations for the creation of a new political structure which was destined to become a force for significant rearrangements in the country's political life. In fact PASOK was the only new structure that emerged from the deep social and political changes caused by the 7-year dictatorship and the reverberations of the transition to democracy. In the other points of the political spectrum, the New Democracy Party was a mere development and adjustment of the National Radical Union /ERE/, while the traditional Left was divided simply in the "orthodox" and the "renovating" version of the same political field.

But PASOK has been unable to define its identity at the outset or today after 7 years. Systematically and carefully, both Papandreou and the party's leadership avoided any commitment to principle either in the area of ideology or in the area of theory or in the area of policy or even in its party organization.

Until today PASOK remains a fluid entity which, under the unifying presence of its leader, houses a huge conglomerate of views and persons who often act against each other. Many "revanchists" of the Center exist side by side with cadres of communist and the National Liberation Front /EAM/ origin. Views on the modernization of capitalism exist side by side with reformist proposals of a social democratic nature only to clash with the third world views of the radicals who disagree to the point of expulsion with the traditional leftists who push forward their views based on Marxist-Leninist origins of consistency.

All these are herded together in the context of government responsibilities and state privileges with the new passengers of the vehicle of history (and power) technocrats of all sorts and political origin who "saw the light" and rushed to serve the "green sun," of course, for the sake of the beloved country.

All this mishmash would have collapsed already if the complete absence of structures did not keep it united! This is not a preposterous statement because the coexistence of the opposites is not assured by some common

reference to principles or by sharing a party legality or at least a common strategy and tactics, but by the common submission to the leader who appears as a supreme authority both in the party and in the government.

Thus, even the exercise of governmental power becomes nothing but an ad hoc empiricism while the party structure remains a popular fighting reserve force serving the government's initiatives and vacillations.

If we focused on these observations, it is because the cause of PASOK effects in one way or another not only its members and its cadres, not only the other forces of the Left, but also because the developments in the governing party are decisive for the entire course of the country and the quality of the country's public life.

If the march to power justified the empiricism, the double-meaning declarations, the ideological and theoretical confusion, the political improvisations and organizational centralism, now the same demands of power call for clarifications in all areas.

Because if PASOK wants to be transformed into a genuine socialist structure, if it wants to last beyond its governmental term, if it wants its governmental term to continue, it must change radically its internal regime and the framework of its functions.

Papandreou has proved that he can see beyond today. If he himself and the PASOK members do not want to be registered as a managerial parenthesis in the development and consolidation of Greek capitalism, they must move forward to create a genuine socialist movement.

Nine years after its announcement, it is high time to make it a reality.

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CS0: 3521/445

## COUNTRY SEEN POISONED BY PASOK ANTI-WEST STANCE

Athens 1 VRADYNI in Greek 5 Sep 83 p 5

/Excerpts/ Greece's formal induction in the West is a personal vision and achievement of K. Karamanlis. All that this induction means--security for our country, prosperity for our people, stability of democratic life--constitute the living bequest to the entire Greek people from the present president of the republic. This is an inheritance all political forces have an obligation to respect and the responsibility to utilize. After 22 months of "Change" the central question is: To what extent have Papandreou's and the Movement's policies respected this inheritance?

Many interpret as pure demagogery Papandreou's anti-Western hysteria. Or, does it express a deeper ideological anti-Westernism of Papandreou and his party machanism? The facts are there, the results are irrefutable: as soon as the premier of "Change" climbed to power, he rushed to inaugurate a policy, marked by messages and gestures of good intentions for the Kremlin--on all the major international issues.

/The Soviet Ambassador Vl. Kaboskin systematically conveys to the PASOK government Moscow's "satisfaction" for his policies--the caption under the ambassador's picture in the text.

## The Compliments

There is no doubt that the "first Greek socialist premier" knows full well the basic weaknesses of his anti-Western sloganeering. But apparently he cannot resist the gratis compliments with which a host of Soviet and Eastern circles feed him from time to time. In his anxiety to give some substance to his limited international caliber, he rejects the voice of reason even when it comes from "friendly" European powers. For example, he closed his ears when a high French official, who passed through our country, conveyed Mitterand's concern because of the aforementioned changes which seriously hit not so much the security of the United States as that of Western Europe.

In any event, it seems Papandreou has decided to play at least a strange role in the context of the West where for his good fortune is placed thanks to Karamanlis' national policy. He can safely play the game of a "Castro of the Balkans" by getting eight-column headlines in his friendly press at the

expense of the country's international prestige. That is the full extent of his nationally proud multi-dimensional policy. A ridiculous policy. A dangerous policy. With every passing month, Papandreou gives an increasingly distant character to our country's participation in NATO and the EEC, in spite of any formalistic signs of participation. The provocative character the Greek chairmanship of the EEC has taken is not accidental, neither is the preposterous development of the agreement on the bases. The government of Change proves it is incapable of functioning like a Western government such as the other nine.

Deeper, the damage is more substantial. With the anti-Western propaganda PASOK daily, methodically, deliberately, surreptitiously injects into the minds of the people and with the confusion and uncertainty it spreads, the country's ideological alignment with the advanced West is slowly but steadily eroded; while at the same time a pro-Soviet view is slowly developed in large segments of the population. In other words, we have a phenomenon of erosion of the very orientations which derive from the geography and the history of this country.

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CSO: 3521/445



## REFUSAL TO REQUEST LOAN FROM IMF VIEWED POLITICALLY

Athens | KATHIMERINI in Greek 11-12 Sep 83 p 5

/Editorial: "The Logic of the Principle" /

/Excerpt / The signing of the agreement for the bases--regardless of how the government tried to glamourize the victory and "the justification of its struggle"--is but a double admission--one that, beyond the big promises and visions, reality imposes its rationality and forces those who attempt to ignore it to conform with its "guiding directions"; and second that, the bourgeois parties which supported the importance of the American bases on our soil are not traitorous nor are they puppets of the American imperialism. If PASOK still insists to these characterizations it applied to ND, the Center Union, etc., because of the bases, then Papandreou's Movement is also traitorous and a puppet party! This means that the only "national" Greek political front is KKE which does not want our dependence on the West since this prevents us from being dependent on the East!

Let us hope that, after the compliance in the foreign relations' sectors as reality dictated, a similar accommodation will be made in the economic sector also. The encouraging prospects--all of them of 6 months' duration!--do not fool anyone any more. An example which is very revealing is that of the negative impact the abundance of contradictions had in implementing the economic policy. As a result of discouraging private initiative and its interest in competitive production, the deficit of the country's foreign exchange balance has increased. This was the price for the "socialist transformation" of the economy PASOK would achieve unhesitatingly. But the deficit had to be covered in order to be able to continue, albeit in a limited way, the import of goods from abroad. The Bank of Greece, overlooking, because of this need, the interruption of the "dependence on the imperialistic capital" repeatedly applied for loans to the banks of the West.

Their willingness in granting the requested loans was continually diminishing. As a result it was necessary to get a group of 400 foreign banks to gather the last 500 million dollars. The government was thus compelled to grant to the Bank of Greece the right to float bonded loans abroad. It gave it, that is, the right to announce the floating of bonded loans. Thus, anyone, citizens or banks, could buy the bonds.

This method, says the government, has an advantage over loans from banks. If this argument is sound, the question arises: Why did we apply to the banks if obtaining capital by selling bonds was more advantageous? But, another more important and meaningful question can be advanced: Since the foreign banks are not very willing to grant us loans, why don't we apply to the IMF which offers loans at much more advantageous conditions? This question may perhaps raise eyebrows since this column has in the past referred to the harsh conditions the IMF puts for loans to its member countries. We have done so, before the government, income, monetary and credit policies had implemented all that the IMF recommended! That is, continuously devaluing the national currency until it reached its competitive balance; decreasing the real income of the working people in order to decrease the production cost; limiting the foreign exchange spending; and shrinking the investment activity so as to avoid the spending of foreign exchange for importing machinery and also to avoid feeding the inflation as a result of increased demand.

Since all the above were implemented (and they represent what the IMF prescribes for cleansing the economy of the loan receiving countries) why did we not take advantage of the low interest loans from this source and why do we pay instead three times as much interest rates in the free money markets, be they bank or bond loans? Simply because if the government applied to the IMF it would "betray" once more its assurances that it would cut all forms of dependence on the West! Therefore, the criteria for the refusal to go to the IMF were not economic but...ideological!

In the end, and without the least doubt, we will ask the assistance of this very IMF also. And new "banners" in the center of Athens will proclaim once again that "PASOK's struggle was justified" in one more issue!

The Papandreu government has still 2 more years--if it wishes to complete its 7-year term. They are enough to complete the catastrophe it has brought to all sectors. They are not enough to undo all the harm it did thus far. But let it try this second direction anyway. Something will be gained by the country--however small.

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CSO: 3521/445

## ND'S SYSTEM OF 'CHECKS AND BALANCES' SEEN HARMFUL

Athens TO VIMA TIS KYRIAKIS in Greek 4 Sep 83 p 14

/Text/ The incident last Tuesday in the Chamber of Deputies regarding the New Democracy parliamentary representation was something more than a case of "lack of coordination."

Unconcerned and unaware, K. Mitsotakis asked for the floor to speak during the debate on the health bill. Deputy speaker and presiding officer in the Chamber, Mikhail Stefanidis did not allow Mitsotakis to speak as the ND's parliamentary spokesman and he read to him a letter by E. Averof to the presidium of the Chamber appointing Giannis Varvitsiotis as the only ND spokesman on the health bill.

Mitsotakis indicated he did not know about the letter and assured the presidium that he would bring another letter assigning him as the spokesman. Following behind-the-scenes consultations, Averof was found but did not write another letter; instead he called the then presiding officer Giannis Degianis and affirmed that Mitsotakis would act as the spokesman on that day.

In itself the incident is certainly not important, only in the sense that it underscores the relationship between Averof and Mitsotakis (whom he left uninformed and so he was embarrassed in the Chamber), but also because it reveals the tactics of the ND leadership.

Certainly the fact alone that ND has assigned five parliamentary spokesmen (Kon. Papakontandinou, Kon. Stefanopoulos, Kon. Mitsotakis, Ioannis Paleokrasas, and Ioannis Varvitsiotis) is without precedent in Greek parliamentary history.

This tactic reflects on one side the tactic of "delicate balances" employed by Averof for intraparty problems and on the other his tactic of "divide and rule" in the distribution of the "shadow power."

In any event, if these objectives were achieved on the part of Averof (since no one today questions his leadership position) they have created serious problems in the seriousness and the functioning of the parliamentary representation.

It is known that Kon. Papakonstandinou seldom appears in the Chamber and that he speaks even less frequently on matters of general policy.

The daily representation was assigned for the first year to Kon. Stefanopoulos and Kon. Mitsotakis. But because there had not been a clear separation of responsibilities except in the area of foreign affairs (assumed by Mitsotakis) and for questions of public administration (assumed by Stefanopoulos) there were many tragicomic scenes.

When Stefanopoulos was present, Mitsotakis remained silent because he did not want to speak like an ordinary deputy since, according to the Rules of the Chamber, there cannot be present at the same time two parliamentary spokesmen enjoying the exceptional rights under the rules. So when Stefanopoulos wanted to speak, Mitsotakis left the Chamber and vice versa.

During Averof's long absence in London last year Mitsotakis appeared to "gain the upper hand"--by going to the Chamber earlier than Stefanopoulos--and by creating favorable impressions about his person and ambitions among groups of deputies. At the same time, both were accused that they did not wait until the list of ND deputies registered to speak was exhausted but took the floor and spoke for half an hour and for 1 hour, respectively, thus taking care of their publicity in the next day's newspapers.

Thus, Kon. Papaconstandinou, the acting Chairman of the party, who is said to like Stefanopoulos more than Mitsotakis, assigned one of his friends as the fourth parliamentary spokesman: Giannis Paleokrassas, the secretary-general of the parliamentary group, who began to speak in the Chamber on economic matters. "Conscientious like a good bureaucrat," Paleokrassas nevertheless appeared to succumb to the temptation of personal bossism.

At the end of the last session, Paleokrassas decided arbitrarily to withdraw all formal questions submitted by groups of deputies and to reintroduce only some of them, placing in most of them his name first (as the first signatory and speaker). In some others he put the names of Stefanopoulos and Mitsotakis and other deputies favored by Averof and Papaconstandinou. Other deputies who had submitted the questions and gathered the data, etc., hit the roof saying, "we are not here like monks in a monastery with Paleokrassas as the abbot to order us around."

This action of Paleokrassas and his failure--as rumored--to secure satisfactory contributions from shipowners and other circles, piled up resentment against him. Many deputies accused Paleokrassas of appointing anyone he wanted to present bills and that he always appointed the same persons as members of missions abroad and as special speakers for party gatherings.

Among the Paleokrassas favorites are said to be Alex. Papadongonas, Pavlos Sarlis, Andonis Samaras, Ar. Kalandrakos, G. Manikas, Nik. Gelestathis, Giannis Stathopoulos, and Athan. Tsaldaris.

These complaints were voiced at the last meeting of the ND Parliamentary Group and Averof stated they were justified and reasonable.

Specifically, Khios Deputy Giorgos Misailidis said that for the speeches on proposed legislation the preference is for former ministers at the exclusion of new deputies. The same views were echoed by Dim. Vretakos, Giorgos Souflis, Giorgos Tzitzikostas, Sotiris Khatzigakis, Vyronas Polydoras, and Georgos Sourlas.

Also, the deputy from Messinia, Nikos Anastasopoulos, spoke of discrimination in deciding speakers and representatives in party gatherings and said that "we are 110 deputies and all 110 can make a contribution."

Similar views were presented, according to reports, by Kostas Sapsalis ("Send me to the most remote village"), Dionysis Livanos, Themistoklis Sofoulis, Andreas Andrianopoulos, Kostas Giatrakos, and Lefteris Papadimitriou.

The charges voiced at that meeting of the Parliamentary Group and in subsequent meetings with Averof had a decisive effect on Paleokrassas. Thus, last month when the two parliamentary spokesmen of "daily work schedules" Mitsotakis and Stefanopoulos stated that they wanted to participate in the parliamentary mission to China, it was not Paleokrassas who was "de jure" appointed in their place as parliamentary spokesman. Averof appointed Giannis Varvitsiotis as the parliamentary spokesman for the month of August. Varvitsiotis had lost his ministerial position because of his pro-Averof ties when Georgios Rallis became premier.

The general impression, and mainly that of Averof (who decides on these matters) is that Varvitsiotis fared very well in his party's parliamentary representation.

Varvitsiotis did so well that Averof in his letter (which caused the incident with Mitsotakis) appointed him as parliamentary spokesman until the end of the debate on the health bill, that is, for several days during September.

Nevertheless, the "five-headed" structure of ND parliamentary representation does not seem to serve the Averof leadership plans. He considers seriously the thought of doubling the party spokesmen in the Chamber by distributing responsibilities for each ministry. It is being seriously discussed--repeatedly in the party's collective organ to appoint additional parliamentary spokesmen, Giannis Boutos on financial matters, Athanasios Kanellopoulos on farming, Kon. Laskaris on labor, Giannis Varvitsiotis on education, and Alex. Papadogonas on transportation-shipping.

By contrast, Averof has pushed aside former Minister of Finance Miltiadis Evert both because of pressures from Averof's close associates and because of certain "innovating proposals" submitted by Evert on the tactics and the organization of the party, which were found too advanced and outside the traditional ND orientation.

Be that as it may, the comments on this method of "ten" parliamentary spokesmen which certainly must be an international innovation, are not limited to the deputies but extend to the "present" and the future "ten" spokesmen. Both Mitsotakis and Stefanopoulos are reported to have expressed their objection to such a "distribution" of parliamentary representation while Giannis Boutos has passed the word that he is not interested in having "a piece of the pie" and that he prefers to speak in the Chamber of Deputies as an ordinary deputy.

A cynical critic added: "The way we are going, we will soon have fewer ordinary deputies than all kinds of parliamentary spokesmen for the party."



Miltiadis Evert: Continuously shunned by the leadership



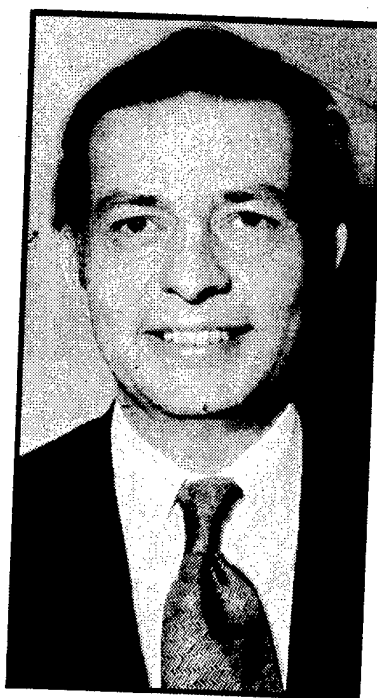
Kostas Stefanopoulos: Taking shifts in representing party



Giannis Boutos: Not willing to accept "shadowy positions."



Ioan Palaiokrassas:  
Accused of bossism  
and favoritism



ΓΙΑΝΝΗΣ ΒΑΡΒΙΤΣΙΩΤΗΣ: Ο  
τέμπτος, που τα πήγε καλά

Giannis Varvitsiotis:  
The fifth who fared  
well



Evangelos Averof:  
"Divide and rule"

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CSO: 3521/445

## COMMENT FOCUSES ON KEY ISSUES FOR 1984 CATALAN ELECTION

Madrid EL PAIS in Spanish 1 Oct 83 p 8

Text The State of Catalonia--It is no accident that the matter of the Catalan Bank has surfaced virulently in the debate the Parliament of Catalonia held on the political course or position of the Executive Council of the Generalitat. Nor is it any coincidence that the miscarried LOAPA Organic Harmonization Law of Autonomous Process has been a kind of extension of the accusing arm raised by President Pujol in the House toward his principal adversaries in the opposition, the Socialists. With that debate on general policy, which ended with resolution that have little or no binding force on the Executive, the stage has been set for the first act in the autonomous electoral contest that will be settled on 29 April 1984. And it now seems clear that these 2 issues, the Catalan Bank scandal and the LOAPA scandal, are the big missiles that the two main contenders--the socialists and pujolists--will use in the campaign.

Electoral needs have on this occasion prompted Jordi Pujol to put himself forward more seriously and say what was essential to fulfill the obligation of reporting to public opinion on the state of Catalonia. The last intention of the presidential speech, that friends, allies and parties with similar or related interests greeted with joy, was aimed at the electorate, which was invited to make a personal reflection: the work of government is there, it is palpable and visible; it is positive and can be evaluated as such. This was the effect the message sought.

The controversy between Pujol and the socialists because of Catalonia and the LOAPA leads to the probably well-founded thought that this issue will be an impressive, forceful and convincing argument in the future autonomous campaign. Add to this the Catalan Bank scandal, linked in its origins and period of greatest splendor--which was fictitious, as we now know--to the person of the president of the Generalitat himself. The opposition in Catalonia is unsettled about how and when the purge will be undertaken for responsibilities in this affair, a purge which may involve, at least, persons very close to or followers of Pujol. He himself seemed to be aware of this when he uttered his words of warning to the socialist spokesman in Parliament: "I hereby announce to whom it may concern that no pressure can dissuade me or sidetrack me from the motive that directs my political activity: service to Catalonia."



Then again, there are Catalan socialist leaders who consider the ruling on the LOAPA as "the greatest blow that has been dealt to our party," while there are those who are convinced that the loss of socialist credibility because of the ruling by the Constitutional Court is probably now excessive. But in the week's debate, Pujol reserved for himself the role of lone defender of Catalan autonomy: "There has been an attempt to wrest from Catalonia what was hers and you were in on the operation." The nationalistic will that stimulates the leadership of the Catalan socialists, the fact that the support of the PSC [Catalonian Socialist Party] for the LOAPA was never homogeneous, the continually critical position on that law of some leaders, could not prevent the psychological effect that Pujol produced in reminding the House ironically of the title of an explanatory folder of the LOAPA published by the Catalan Socialists: "Everything You Wanted to Know About the LOAPA and Were Never Told."

This debate, the last of the present autonomous legislature, about the political action of the Generalitat, has finally been characterized by the novelty of the previous debate in the Congress about the state of the nation. Part of the philosophy which President Gonzalez used to counteract the opposition was used by Pujol to silence, repel, ward off, and reject the criticism by Socialists and Communists. The imminence of the elections and the obligations that they have assumed for the PSOE [Spanish Socialist Workers' Party] to go from the opposition to the central government have probably added arguments to that of the Generalitat and greater interest to the Catalan debate, less tedious, dispersive and provincial than in previous editions. Nevertheless, subjects like the territorial organization of Catalonia, the problems of government officialdom, the programs to counter the economic crisis or the financial situation of the Generalitat--which the opposition could not judge--were absent.

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CSO: 3548/14

## TCP-CC ASSESSMENT OF NATIONAL, PARTY SITUATION

London ISCININ SESI in Turkish 1 Aug 83 pp 9-14

[Report on the regular meeting of the Turkish Communist Party's Coordination Committee; passages enclosed in slantlines printed in italics]

[Text] Notice

The TCP-CC [Turkish Communist Party Coordination Committee] held its regular meeting. The first order of business was the Supreme Bureau/First Bureau's thick working report, followed by discussion of new particulars occurring in the country and the status of the party. The operational areas requiring development by our party organizations in the future and the political and organizational points requiring attention were identified.

All party organizations will have serious tasks to perform in the period ahead.

[Signed] Turkish Communist Party, Coordination Committee,  
First Bureau

## TCP Coordination Committee Resolutions

[Part] I--Country Status  
Economic-Social Situation

In taking up the tasks which lie before our party, it is necessary to place priority upon recognition of one point: that life has now become intolerable for the working class and the proletariat.

Meat prices have risen 560 percent in the past 3 years. One kilo of meat costs 600 TL [Turkish liras]-700 TL today. The price of printing has similarly risen 279 percent in the past 3 years. There have been large price hikes in rents and important daily necessities, such as bread, electricity, water and gas. In addition to the cost of living, unemployment is now of a dimension to have a direct effect on every working family.

On the other hand, real income of the employed is gradually declining.

A worker earning /minimum wage/ can buy only 547 grams of meat a day even if he spends his entire net income.

The /average real gross wage/ was less in 1982 than in 1963 and less than half the peak level of 1977. The average real gross wage, figured at 1963 prices, was 18 TL in 1963, rose to 28 TL-32 TL in 1977 and dropped back to 12.5 TL-15 TL in 1982.

The /average real net income/, if prices had been steady since 1971, was in 1982 about one-third the 1977 level. The average real net income was between 32 TL and 35 TL in 1977 and was around 11 TL-13 TL in 1982.

In agriculture, workers' incomes have also taken a sharp decline. The status of agricultural workers is worse than that of industrial workers. The level of base prices, as opposed to the high cost of agricultural inputs, has severely cut back the income of the labor sector in this field.

This heavy economic pressure on the working class and laborers, combined with social pressures as well, is causing the rapid rise and spread of discontent.

Even though the bourgeoisie, with its economic and political whips, gets a free ride on the back of labor and the working class, the situation there is also far from being all that is desired.

There has been a 20-percent decline in worker remittances and a drop in exports. Most significantly, looking at the real--that is, fixed-price--profits of certain trend-setters among the finance capital focii not included among those said to be in crisis, the following is seen: Real profits rose until 1977, but had declined sharply by 1980, and have risen very little and very slowly since 1980. Indeed, an absolute downward trend is seen in the real profits of some of them, such as Koc Holding.

This situation is a perfect reflection of how deep the structural problems that Turkish capitalism is up against are and of its failure to take any step towards resolving these problems.

As foreseen at our Second Conference in 1981, fascism has rapidly expanded its proprietary relationships, bringing the growth of its proprietary units. The number of joint stock companies and their share of total business capital have greatly increased. Capital augmentation has been intense lately. Also, there is a revival on the stock market for the first time in many years and this, too, is a part of the growth of proprietary units.

The desired rise in profits has not taken place despite severe economic hardship on labor and the working class, expansion of proprietary relationships and a degree of growth in the units.

This situation in Turkey as we mark the 165th anniversary of Marx's birth and the 100th anniversary of his death is an example proving the enormous

power of Marxism. The weak link of imperialism, the "law of diminishing returns" which the bourgeoisie and other opportunists and revisionists always try to prove no longer holds true, is occurring in Turkey exactly by the book.

State monopolistic capitalism--finance capital--in Turkey rose on a semi-developed base. To stabilize this base, which obviously includes small and backward units, finance capital installed on it a self-dependent mechanism. The machines, however, fail to produce a plus factor. The source of a plus factor is exploitation of the working class. The more relative weight the machine gains in production, the more profits decline. Have declined.

To counter this decline, just as Marx pointed out, has required such measures as increasing exploitation and finding more profitable areas of foreign trade and foreign investment. The imperialist process is attached directly to the law of diminishing returns.

The fascism which came to the fore in 1980, in temporarily suppressing class warfare, has raised exploitation to incredible dimensions. Meanwhile, externality has become the current buzzword. In order to engage in the imperialist process, to find profitable markets and areas of investment, it must match international standards of production time, quantity, cost and quality. To do this requires raising the internal level of technology.

To raise the level of technology requires larger proprietary units and advanced techniques. A country like Turkey also needs lots of foreign exchange, lots of exports and lots of foreign credit. It is a vicious circle.

The Turkish bourgeoisie is forced to find profitable foreign trade and profitable areas of foreign investment. However, to do what is needed to find them, they have to have them to start with. This is why they are so far from hindering, much less breaking, the vicious circle, in which the internal proprietary units are allowed to grow even though labor and the working class are eying the last slice of bread on their table.

The 24 January decisions, in order to bring Turkish capitalism into line with international standards, started a race for natural selection. But it is a dirty race, and the rules have been watered down because they could not stand the shock. The problem has arisen, or is rising, as to whether the 24 January decisions should be applied. The bourgeoisie is not happy.

The latest data are being skewed, censored pure and simple, in order to hide this situation from international financial circles in particular. Two ministers cannot even offer inflation figures anywhere near each other. The dimensions of unemployment are being concealed. Reports first appeared in the newspapers about declining exports, then suddenly disappeared.

The bourgeoisie now has to deal with its entrenched problems at the psychological level alone, to placate itself and its supporters. Only a bold initiative by the popular masses under the revolutionary leadership of the

working class can break the vicious circle in which the national economy is caught. The past 3 years have confirmed once again that Turkey's historic destiny is revolution.

A harder, more intense, but most gratifying and honorable state of readiness awaits our party.

#### Political Situation

That the working class, the laboring masses and the Kurdish people are angry is a fact, and one well observed by the bourgeoisie, which has now become apparent in the daily life of Turkey, in the coffee houses, on the buses and trains.

Our party's Second Conference had stressed that, on a powerless foundation such as Turkey, fascism's allied bloc could extend only as far as the non-monopolistic bourgeoisie. Experience has not only proved that the allies of fascism cannot go beyond the non-monopolistic bourgeoisie, but has also shown that as time goes on they become less able to provide an allied platform even for it. Various segments of the bourgeoisie which at first comprised a faceless "opposition" with few expectations are now leading a steadily more aggressive opposition.

Owing to the fascist junta's precarious position domestically, the conflicts of interest focused in the Middle East and the proliferation of demonstrations by revolutionaries and democrats abroad, the junta has become rather isolated in the international arena.

The telling feature of fascism's foreign policy for 3 years now has been the direct and obvious pursuit of the imperialist process. It speaks openly of its search for profitable areas of investment abroad. It publically offers such rationales as that the occupation of Cyprus is important to the defense of the Gulf of Iskenderun and the maintenance of a base against Israel. It is conducting sheer expansionist, chauvinistic propaganda in relation to Iraq, Iran, Lebanon, Greece, etc. It speaks of Mosul-Kirkuk oil in terms of debts from a previous era. The recent incursion into Iraq took place within the framework of oppression of the Kurdish people and this general goal of the imperialist process.

Because the role Turkey wishes to play in the imperialist process coincides precisely with certain NATO interests and, in particular, U.S. interests within NATO, U.S. influence on foreign policy has risen sharply in the past few years. Particular conflicts with certain imperialistic nations of Europe have become prominent, and relations with the Soviet Union have taken a back seat.

However, since the substance of Turkish foreign policy is to take advantage of world conflicts in the imperialist process, the fascist junta may speak out against the United States tomorrow and develop its relations with the Soviets. In fact, if the appearance of opposing Israel and favoring the war

of liberation of the Palestinian people cannot conceal the reactionary, misanthropic heart of fascism today, then the appearance of opposing the United States and making "friends" with the Soviet Union tomorrow will not be able to conceal it either.

The reversal of detente and increasing tension of recent years, indeed the overshadowing of local-regional expansionist wars by debate over the threat of a world nuclear war alone have created the perfect climate for the fascist junta for enmity against the people in foreign policy. Taking advantage of this climate and the confusion in the Middle East, the junta, under cover of a war against "terrorism," is conducting an international campaign intended to spread its own terrorism abroad and is, thus, proving itself to be an important focus of international reactionism.

It is promoting intensive militarist readiness under cover of "anti-terrorist" warfare. There is open talk of providing the United States new bases and of the military vacuum in the East. The incursion into Iraq against the Kurdish people is clearly only a small part of more grandiose plans.

The Turkish state is becoming a present threat to the peoples of the region. By focusing attention, by means of our party's "official" social-imperialist, liquidator administration and "peace" offensive, on the threat of a nuclear war in which the Soviets would have the aggressor role against Turkey (!!), it is concealing the true, immediate threat. Yet the chauvinistic expansionist policy which the fascist junta has pursued for the past 3 years has recently been preparing to go into action. The fascist junta is getting ready for a terrorist offensive.

Even so, this readiness for an offensive is not based on strength and confidence issuing from having taken lasting steps to solve the important economic and social problems. Just the opposite, it reflects the perverse, weak-kneed and shameless supplication for outside help of an administration which, as pointed out even in the IMF report, has been "unable to accomplish any structural change." It is for this reason that the fascist junta will also fail to accomplish its goal by provoking war in the region.

What the bourgeois opposition and the fascist junta have accomplished [in an effort] to keep the traces from being overthrown is the intense rage of the working class and all Turkish-Kurdish proletarians who make up the national polity.

The anger of the working class, of the Kurdish-Turkish proletariat, is not yet reflected openly and directly on the political scene owing to the intense pressure. It is reflected indirectly in political life through the anxiety it has created as a factor in the activism of the bourgeois opposition and in the measures adopted by the fascist junta.

The bourgeois "opposition" emerged from its timid reticence to become a real opposition because the fascist junta was unable to take lasting steps

towards resolving the economic and social problems of capitalism, the policy it applied to this end served no purpose other than to stir up discontent among the popular masses, and the bourgeoisie became anxious over this discontent.

By the same token, the fascist junta tried to keep a low profile in its political maneuvering. The junta turned to political maneuvering because it had little room for economic maneuvering. Now the maneuver it launched by subterfuge has become a field in which the cracks and fissures are apparent.

With the "decontrol" of politics, parties have been forming constantly despite all Evren's warnings. Although the fascist junta has vetoed many founders and thrown its weight behind such thoroughly puppet parties as the Nationalist Democracy Party and the Populist Party, the number of parties is still expected to come out around 16 or 17. There is open opposition to the vetoes. And, to counter this opposition, the junta seems determined to limit the framework of political maneuvering through its own puppet parties. Mutually bold steps are being taken.

The fascist junta cannot tolerate even bourgeois opposition. (Seeing this, the /Menshevik "Voice of the TCP" Radio/ today called on Demirel, who until just yesterday had shown himself to be to the right of the junta, to join the front against the junta!)

Underlying this mutual intolerance is the failure, on a foundation of unresolved problems, to prevent declining profits despite the severe politico-economic pressure on the working proletarian masses. The mutual intolerance stems from capitalism's fear for its life.

The evaluation contained in the last Coordination Committee resolutions has gained even more validity today: Possibilities and dangers alike are growing.

Confronted by accumulating discontent among the popular masses, the bourgeoisie's dissatisfaction with its own status and attempt to find a political base incorporating popular discontent and its own interests and the likelihood of having this lead to premature eruptions, the fascist junta seems determined to try everything to keep politics on a straight and narrow path.

The growing possibilities are that this straight and narrow political framework may expand, or even burst, and that the anger among the popular masses may revert to open political warfare.

The growing dangers, on the other hand, include the more savage measures of oppression and terror which the fascist junta may undertake to defend the narrow boundaries it has drawn. The socio-economic situation in the country makes it more likely that the dangers stemming from the fascist junta could go no further than slowing down growth of the possibilities. Other dangers lurk within the growth of possibilities, however.

The bourgeois opposition is trying to give popular discontent a political base in order to let the narrow political framework propping up the fascist junta expand in the direction it wishes. If the fascist junta cracks down, it would cloud the issue by further strengthening the hand of the bourgeois opposition, giving it the appearance of "a true anti-fascist force." Bourgeois heroes would emerge defending democracy and freedom. This is a serious danger heightening the urgency of the communists' duty to step up ideological warfare, expose the bourgeois opposition and reinforce the revolutionary alternative, primarily the communist party.

The activism of the bourgeois opposition is causing the spread of bourgeois-tinged views within the leftist movement. To date, it has been in the other sectors where the political and organizational concepts more often attributed to the reformist left are being defended. Ideological warfare is of great importance in combatting views of this type which help to make popular discontent a political base for the bourgeois opposition and serve the delusion of the bourgeoisie as the champion of democracy and freedom.

Now with the advance of a crucial turning point for the country, the communists must be alert and vigilant:

In taking advantage of the conflicts between the fascist junta and the other bourgeois sectors, communists must also strive to isolate the bourgeois opposition from the people. The only way for the people of our country to make true and lasting gains is through warfare under proletarian hegemony. Bourgeois leadership can accomplish nothing but the squandering of popular resentment and energy on their interests. It is an urgent task to disseminate this fact among the people and to remind them, drawing upon the revolutionary experience of the past, that the only way to liberation is to fight together with the working class.

The fascist junta's trend towards loosening the political reins increases even more the ever-present importance of taking advantage of legal possibilities. It looks as though taking advantage of legal possibilities in the political arena directly may be a slower process. It is very important to be ready for sudden changes in this area. Moreover, it is necessary to step up sharply the maximum utilization of every legal opportunity available at the publication level in particular, as well as at the association level.

An illegal communist party can properly and successfully utilize legal opportunities in the regime of a hostile class only if it is strong. The foremost task, as always, is to strengthen the party, enlarging the conspiracy. Strengthening the party is necessary, as is the investment of a great deal of energy to avoid abandoning the legal movement to the views of the legalist opportunities in the future.

#### Unions Problem

The labor laws introduced by the fascist junta transfer many workers to civil servant status and envisage a working class in generally non-functioning



unions, which may go to a great deal of trouble to organize, but under no circumstances defend their rights. These laws, by forbidding union activity, in fact reflect how deeply the bourgeoisie fears even the slightest tremor of union activity by the working class. At the same time, they are vivid proof that the way to gain economic democratic rights is through destruction of fascism together with all its prohibitions, staying the illusion of legal means.

The ability of unions to operate according to the new labor laws depends on their ability to organize 10 percent of a branch of labor. Who will determine whether this is the case, however, is the Labor Ministry. The referendum as a means of determining authority is still forbidden. The unions, under the constant and arbitrary oversight of the state financially and administratively, are bound by red tape in all areas such as membership, conventions, leadership and contract negotiations. The unionizing process has been made anti-democratic. Fascism is trying, with these laws, to bring to life its quest for unions dependent upon the corporative state described in our Second Conference resolutions.

Even cultural activity by the unions is forbidden. Education is limited to occupational training; moreover, the unions are to be responsible for occupational training. Even though wages are a far cry from meeting a worker's cost of living, much less financing his professional training, leaving occupational training up to the unions is an attempt to train a qualified work force for the bourgeoisie using the workers' money. Also according to the new laws, the job of a company representative is to preserve labor peace, not protect the rights of the workers. Young workers are prohibited from joining union administration. If any union leader commits a crime under the fascist Penal Code, his union or the entire federation may have its activities halted. Class warfare is a crime according to this fascist law. Class-active unionists are therefore prevented from joining the leadership and, under threat of closing the union, bureaucratic pressure is brought to bear on rank and file workers to make them act contrary to their own interests.

According to the new labor laws, unions may have the right to a collective contract, still wrapped tightly in red tape, if they pass the 10-percent branch-of-labor barrier. Many provisions have been identified by law which are not allowed to be placed in collective contracts. Although a branch-of-labor barrier has been erected, branch-wide collective contracts are prohibited. Most importantly, the right to strike has, in fact, been eliminated.

Strikes are prohibited in many branches of labor. Coal, which ranks highest in job-related deaths, is among them. Thus workers are even prohibited from seeking the right to oppose dying because of negligence. Workers are not only being told to go hungry for the sake of the bourgeoisie, but are also being told to die quietly.

In branches of labor not forbidden to strike, strikes may still be banned at various times for different reasons. Strike propaganda is also considered

a crime, not just a strike itself. It is a situation in which the right to strike cannot be exercised, anyway, even though it is not prohibited.

It is possible to go on strike only during collective contract disagreement. A great deal of red tape is involved, such as reporting the strike decision to the "competent organs" within a specific time, beginning on the date it is reported and submitting to arbitration prior to going on strike.

Striking for rights is prohibited. Just as non-union workers may not strike, union workers may strike only in cases of contract disagreement, if they are not under a strike ban. Workers cannot strike after a contract is concluded, even if the employer fails to honor it. Thus, it has been made impossible not just to conclude contracts, but to enforce the ones concluded as well. In addition, a new contract cannot be concluded before the current one expires. That is, the employer may fire his workers after concluding a contract and hire others to work without a contract for 2 or 3 years.

Strikes in violation of "good will" (!) may also be prohibited. Moreover, the employer is empowered to decide whether a strike is illegal and, if so, to fire the workers, thus exposing splendidly the intrinsic class-stratified nature of "good will," "justice" and the judiciary.

The payment of wages and social supplements is prohibited for the duration of the strike, which period does not apply towards severance pay. Also, no workers are allowed at the strike site during the strike other than two observers, who are prohibited from using tents, etc., and signs may carry no message other than "On strike." The provision on strike-related damages being paid by the workers or union, even though the strike is not union sponsored, reflects management's intention to make the unions pay for their property and machinery under false pretenses.

Non-union workers have no rights at all according to the new labor laws. Union workers do have certain token "rights" whose exercise is impossible. But even TURK-IS [Turkish Confederation of Labor] is confronted by obstacles to its operation. All unions, meaning TURK-IS, are obliged to carry out a series of bureaucratic changes by January 1984. According to the new Directive on Branches of Labor, some unions must split up and certain others must combine. This presents great difficulty as regards time, financial status and ambiguities in the law. If it overcomes these difficulties and keeps itself in existence, TURK-IS will still be under the leadership of union veterans. Pro-social democrat unionists, most of whom are young, are not even allowed in administration.

The situation of the members of unions whose activities have been suspended is even more interesting. According to these provisions, intended for DISK [Confederation of Revolutionary Worker Unions] members in particular, if the DISK trial does not end in acquittal and if DISK members do not have notarized verification of their resignation from DISK, plus notarized verification, in quintuplicate, of joining another union, they will be deprived of all union rights! Even to join other unions involves a great deal of red tape.

The labor laws directly concern all workers, whether union, non-union, TURK-IS, DISK or whatever. These laws document the desire to deprive the entire working class of even minimal economic and democratic rights, prohibiting action of any kind. Combatting these laws urgently demands union unity on a foundation of class unionism involving all workers and constitutes an important platform for this unity.

The communists had said even as the fascist junta assumed power that what it would take to break the back of its prohibitions was not to remain unionless, but to work within the existing unions to strengthen union unity among workers on the foundation of class unionism and to heighten unified militancy. The labor laws have proved more concretely today that there is no other way.

The Turkish working class is face to face with a great task. All non-union workers, all unions and all DISK-affiliated progressive workers with their fine revolutionary tradition must plunge into TURK-IS. The battle against the fascist junta for economic and democratic rights must be combined with the battle for unity in a democratic TURK-IS under pro-worker leadership. The best response to the fascist junta's prohibitions is to bring about union unity along the lines of DISK traditions and on the foundation of class unionism within TURK-IS, the largest union organization! If this is done, the bourgeoisie's offensive will backfire. While attempting to establish tight control over the working class, the bourgeoisie will find a union unity too strong to be controlled.

Non-union workers!

Don't remain without a union. Join the best union in your branch of labor. If this union is not a member of TURK-IS, work to have it become a member, then work for the dominance of class unionism in TURK-IS. The way to break the momentum of the present roll is through unionized unity of the workers on the foundation of a true union concept. Moreover, such unity would be a lasting gain as regards workers' long-term interests.

DISK members, Turkey's most knowledgeable, experienced workers! You have a great task.

Do not permit your militant traditions and fine revolutionary experience to alienate you from your class brothers. Join the most appropriate union in your branch of labor. Work to have this union join TURK-IS if it is not a member. Plunge into TURK-IS, being environmentally aware and working carefully. Convey what you have learned from mighty battles to the TURK-IS rank and file. And initiate the fight for a pro-worker structure in TURK-IS administration.

Class unionism rising on DISK knowledge and experience under the roof of the largest union organization, TURK-IS, would be a nightmare for the bourgeoisie. If you have caused the bourgeoisie so many nightmares, you might as well give him another.

TURK-IS workers!

Through its anti-democratic functioning and leadership which prohibit rank-and-file influence and decision-making, TURK-IS has aimed at keeping a large segment of workers out of revolutionary class warfare and class unionism. The painful consequences are evident, having a large share in the ability of fascism to come in and impose the pressures of today on workers.

The new labor laws are intended to push TURK-IS' functional anti-democracy into even further retrenchment, fully excluding class unionism from TURK-IS. According to these laws, TURK-IS is becoming a state-run organization, prohibited from conducting even union activities.

TURK-IS workers! Take a stand against this. Push from inside for the unification of all your class brothers under the TURK-IS roof and on a foundation of class unionism. An anti-democratic, anti-worker order exists in the country and in TURK-IS, and destruction of one depends on destruction of the other. The ability of TURK-IS to be a unified, pro-worker union umbrella depends directly on its ability to combat the severe economic and political pressure on the entire working class today. Combine warfare against labor laws which totally annihilate worker rights with warfare for a democratic TURK-IS!

Workers in other unions!

Work to have your union join TURK-IS and to make class unionism prevail in TURK-IS. The ability to fight for worker's rights in Turkey is now inextricably bound to the ability to establish working class unity on the foundation of class unionism. The new labor laws are a heavy blow struck against the entire working class. Just as they eradicate all working class rights, they also obstruct all legal routes to protest. Just as fighting against them cannot be limited to the legal framework, even gaining certain routine union rights will ultimately require the complete dismantling of this legal framework.

Our working class, bearing in mind the circumstances and making preparations accordingly, must use all its wit and skill to establish and strengthen union unity and wage war against the labor laws.

Warfare against the labor laws itself will show also that the way to gain even the simplest union rights depends on antifascist warfare and revolutionary struggle. The bourgeois opposition will be talking about worker rights in order to ingratiate itself with the working class. It is necessary to be alert to this and to alert the masses as well.

In a country like Turkey, no promise involving worker rights by any segment of the bourgeoisie can be valid /even over the short term/. Bourgeois promises end up in 12 Septembers. Experience proved this. The only guarantor of worker rights--and not just worker rights alone, but of the democratic rights of all the people--and the only reliable leader of the struggle for them can be none other than the worker!

## [Part] II--Status of Party Organization

### Summer Offensive

We launched our Seventh Summer Offensive this year in a climate of increasing opportunities and increasing dangers. Our party is preparing for the successful performance of the role it has assumed in the revolutionary war against the bourgeoisie.

Part of this preparation is the traditional summer offensive which prepares staunch cadres who devote their all to the party and the revolution, aware that "revolutionary warfare rises above revolutionary zeal."

This year's summer offensive began and is proceeding in a much different milieu from other years. There are a number of reasons for this. There are very important additions to our ranks from the "official" wing of our party. Our level of organization and participation in the summer offensive is higher than in previous years, both qualitatively and quantitatively. All of our organizations have grasped the revolutionary logic of the regular summer offensive, quite improving the accumulation of experience and knowledge.

Our Seventh Summer Offensive is proceeding most enthusiastically under these circumstances.

We have reached the middle of the summer offensive. Our organizations are having varying success in collecting their pledges. Some of our organizations have collected almost all of their pledges, some 50 percent, others less. All organizations must strive to collect their pledges on time.

An important part of summer offensive efforts is the link with the masses. Special efforts must be made to bring the existing links with the masses to a more orderly and comprehensive state. It is necessary to raise the relationship with the masses on the foundation of the headquarters publishing organ. We must take a more serious approach to outside donations. To aim for exceeding the rate of donations received today means establishing relations with the popular masses. Various social efforts are inadequate and must be further developed.

Education must be stressed. Education must not be short-changed, whatever the circumstances. Some of our organizations devote little time to education owing to the press of practical work. This deficiency must be made up as soon as possible. Education heightens revolutionary zeal, solidifies the militants' confidence in the organization and generates new energy for practical endeavors.

Each organization must stress planned endeavor as contained in the program throughout the summer offensive. The organization's mobilization goals must be kept constantly on the agenda and the programs devised must be forwarded to the top organization on time.

## Organizational Tasks

The oblique angles created by internal party warfare, developments in the political climate in Turkey and the turn that class warfare is taking in Turkey and Europe are rapidly bringing all of our organizational units face to face with new and difficult tasks.

As clearly shown by the 1 May actions, our party has grown despite the continuing trend of leftist movements to abandon politics at the rank and file level. Links to the masses were strengthened. Our organizations in Turkey and Europe continued to rally under the banner of communism the most progressive elements from the solid working class, the workers sensitive to communist propaganda and agitation who seek organized leadership. Accompanying this was the joining of ISCININ SESI ranks by many comrades in rebellion against the attitude of the "official" minority, which had despaired of the Turkish revolution vis-a-vis its problems and was tending towards party liquidation, demoralizing the cadres in party in-fighting.

The task awaiting party cadres today is to speedily raise the Turkish Communist Party on the foundation of a single ideology, a single discipline, to assume leadership of the rising war of the working class in Turkey and root out Menshevism, fighting as though a tightly clenched fist of steel.

To accomplish this task means, /first of all/, strengthening party central, improving its effectiveness, developing the competency of all cadres and solidifying the ability of all party units to act in unison towards common goals. The basis for steps to be taken in this direction is progress through organized mobilization. All party units and members must guard meticulously the work habits gained through organized mobilization. The cornerstone of progress are working according to plans and programs, the conduct of the party collective's work by means of regular meetings and the systematic, vigorous conduct of mass work.

Strengthening the party central depends inextricably on the support of its endeavors by party organizations and members through monetary and all other means; the investiture of the cadres with norms incorporating the requirements of headquarters, not just of the regions; a more efficient form of internal party communications; and the development of discipline as regards precise implementation of decisions adopted.

In their endeavors, party organizations must deal with the generation of monetary resources as a political problem whose importance grows daily. They must resist all symptoms of the headquarters syndrome, expecting the use of headquarters resources. The organizations must proceed with their work, always seeking ways in which to create new resources for headquarters in their regions. It is possible to accomplish this by making all militants aware of it, starting at the very level of mass organization. The summer offenses are a good vehicle for conveying this information, but working on this knowledge and under this concept must not be limited to the duration of the summer offenses. One of the best indicators of how well the organizations understand this is the regular transfer to headquarters of their publications receipts.

New party organizations are being formed in various locations in Turkey and Europe. This development will go as far as we are willing to take it. However, the consequences of it must be /new support for, not new partners in/, the opportunities available to headquarters. All party units, therefore, must develop technical infrastructure and possibilities in all areas and strive for the goal of going beyond self-sufficiency to directly supporting headquarters and, therefore, the entire party.

The careful and continuous conduct of ideological education in the party and the full grasp by all militants of the party's political attitudes and tactics are the starting point for the steps to be taken in cadre development. Naturally, an intensive effort to have new cadres gain political experience rapidly will accompany ideological education.

Party committees must make a systematic and conscious effort to test new cadres in various areas of party work, not just going through the motions of routines which have developed over time on their own. The best framework for training professional cadres who are experts in their fields is to develop a division of labor in party endeavors and assign responsibilities, together with the power to carry them out, from the top down.

No party organization should adopt a local view as to the level it hopes to achieve in cadre training. Working to train cadres by standards incorporating the needs /at the central level/ of a party to conduct the revolution and establish socialism in Turkey is an important way of strengthening party central.

Meticulous adherence of party units and party members to the ideological line and political stance of the party is a precondition to the ability of party organizations to work in unison. Moreover, the ability of all party organizations to swing into action simultaneously with the force of a single fist may be attained through the iron discipline demonstrated in the precise implementation of decisions adopted and through keeping party central informed swiftly, regularly and systematically on the basis of concrete data of all developments in the region. Party organizations must be conscious of this in the conduct of all their activities and communications with headquarters.

In the period just past, women-related activities by party organizations, excepting a few, have lagged far behind what must and can be done in this area. Party organizations must apply themselves more energetically in this area in the period ahead. Youth work must likewise be stepped up.

There is insufficient support by local activities for the centralized effort to inform other corps of the universal working class, communist parties and revolutionary opinion of developments in our party, our ideological line and our accomplishments, in order to gain their active support in the revolutionary warfare engaged against the fascist dictatorship in Turkey. All party organizations must work more actively, creatively and systematically in this regard, informing party central without delay of local efforts undertaken for this purpose.

Circumstances are such in Turkey that rapid changes may be encountered from one moment to the next. We must strengthen our party's centralization and discipline and its ability, vis-a-vis any possible changes, to adopt a unified stance and swing into action at a moment's notice like a single fist.

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## JUNTA SEEN UNABLE TO KEEP CLASS FERMENT UNDER WRAPS

London ISCININ SESI in Turkish 15 Aug 83 p 1

[Article by C. Kosan: "Junta's Job Now Grows Harder"]

[Text] All political powers worthy of the name in Turkey share the same thought on one topic, and one topic alone: The ability to suppress open class warfare is now becoming rather difficult and looks as though it will continue steadily to do so.

The revolutionary uprising in the prisons, the reverberations of it in society and public support of it further confirm this opinion. Thousands of revolutionaries talked back to entrenched fascism. Western newspapers reported that Yalcin Kucuk was among the hunger strikers who had to be taken to the hospital. The atmosphere also grew more tense at on-going related trials. Abdullah Basturk was cited for "contempt of court"! Reha Isvan told the court: "Your trouble to prove that Nazim is a communist was in vain. We already knew that."

The actions of revolutionary prisoners, the attitudes of progressive, democratic prisoners and the fact that they both reflect and further hone the popular determination to fight spurred the bourgeoisie into action. In fact, scurrying not to be left out of this defiance so heartily approved by the public, the prisoners of Canakkale also managed to get a letter out of the country. The letter, published in the 9 August issue of the TIMES, bears the signatures of Demirel, Baykal and all 14 of the other prisoners. The letter says that Turkey is not Pakistan, that the junta's pre-selected candidates will win the elections on 6 November and that the elections are a hoax. The warning is issued that this regime is on the way out, and the West should either withdraw its support or Turkey will shift leftward.

The view that this regime was toppling caused a general stir within the bourgeoisie. The political party and newspaper rivalries come full circle as various financial backers enter the fray. While the Nationalist Democracy Party disposes of Socialist Democratic Party backer, Cavusoglu-Kozanoglu Holding, under the guise of a "company salvage operation," GUNES newspaper changes hands.

The bourgeois press is now in complete disarray. On the one hand, rather "harsh" criticisms of writers like Ilicak who is a firm apostle of democracy

(!) have begun to appear, and TERCUMAN was shut down indefinitely for this reason. On another plane, economic failures have begun to become apparent and the "social injustice" (!) of worker wages has begun to be "protested"! On the other hand, the class elitism of the bourgeoisie as a whole has begun to unveil its own ugly face in the pages of the daily newspapers.

The newspapers are filled with pictures and news reports about rabies, insanity, crime and accidents. In the large cities like Istanbul and Ankara where the streets flood every time it rains, they are not the least bit embarrassed to run pictures of boats, not just plying the muddy waters, but the sewers as well. For years not, the bourgeoisie has been toying with public health as a means of raising their own credit. Meanwhile, rabies, tuberculosis, malaria, typhoid and cholera epidemics rage. What else can be expected in a country where they paddle their boats in the sewers.

The bourgeoisie has led the people into hunger and poverty. Physical health has disintegrated. And as if this were not enough, they try to destroy public mental health and get people involved in social problems by printing pictures in lurid color of people maddened by rabies. In doing this, they only demonstrate their own moral depravity.

A raging storm of chauvinism has risen hand in hand with this moral collapse. When they print headlines screaming, "Rabid Dogs," are they referring to the "gift" of the rabies epidemic with which capitalism has presented the public or to the foaming chauvinism of fascism as regards the Armenian problem and such? One cannot tell.

The epidemic of madness disease in Turkey is, at best, the one caught from the fascist administration and finance capital. Despite all this oppression and terrorism of the people and the hunger, poverty and disease it has brought, fascism has been unable to find radical solutions for any of the socio-economic problems. The madder it has been driven lately by this stranglehold, the more covetously it has cast its eyes towards other nations and brother peoples.

Iran, Iraq, Syria, Lebanon, Greece, Cyprus, indeed--upon their discovery that Comrade Andropov is of Armenian origin--even the great Soviet Union have become targets for chauvinistic attacks! The Soviet Union is untouchable, but the fascist junta seems intent upon finding a pretext for plunging into the Middle East. It wants to take the troubles it has brought upon the Turkish people to brother peoples as well.

The disputed status of Mosul and Kirkuk at the time of the Treaty of Lausanne is back in vogue. It is being written and underscored that the pipeline in which they hold a 5-percent share of Iraqi oil is in danger. The Iraq-Iran war is being watched in the spirit of a football game. The Turkoman frontiers are being patrolled, but people from the two countries come and go. Indeed, such seems to be the case in that, in cooperation with Iraq, exaggerated reports are made up from the likes of: "Iran came this far, approaching the pipeline." "We are the key nation in the Middle East," says

the fascist junta, as it seeks its own rationale for inserting a key into the Middle East.

Enough already! This judgment, this feeling is spreading among the Turkish people, engulfing Anatolia. The working class is gritting its teeth and clenching its fist. The Kurdish people are a time bomb set to go off. It is for these reasons that the bourgeois opposition is laying it on so thick about being the "apostle of democracy." They are afraid.

Profilo [Company] boss, Jack Kamhi, who has experienced the fear of barricade wars; Halit Narin, a leading spokesman of capitalism who victimizes the people for the sake of profits; and Sevket Yilmaz, whose job is to try to sell workers to the bourgeoisie, have all applied for gun permits! Why, one wonders.

The reason is obvious. Public order appears perfect. In fact, society is seething within, and the rumble of "Enough already" is beginning.

Down with fascism!

Long live the revolution!

8349

CSO: 3554/407

## POLEMICS SURROUNDING DEFENSE BUDGET CUTS

Rome L'ESPRESSO in Italian 4 Sep 83 p 20

[Article by Vittorio Scutti: "Dear Minister, They Are Going To Cut You Out of the Budget"]

[Text] In the armed forces, nobody tolerates budget-cutting.  
What will Spadolini do?

Rome. Soon after taking over as defense minister, Giovanni Spadolini has to face his first big problem. The army, the navy, and the air force are debating bitterly among themselves over the cuts to be made in the defense budget for 1984 which imply that each of the three services is going to have to give up something. During one of the last cabinet meetings in the Fanfani administration, Giovanni Gorla, the minister of the treasury who was retained, said as a matter of fact that the anticipated expenditure of 15,100 billion for 1984 (as against 11,684 billion this year), prepared by BILANDIFE [Defense Budget Agency], the office that makes the calculations for the defense minister, was too high, and that the military establishment would also have to make its sacrifices. The budget estimate thus dropped to 13,800 billion with a cut of 1,300 billion. For the generals, this means a choice as to where to snip. After a series of defense staff meetings they decided as follows: 850 billion would be cut from all of those expenditures which do not have an effect on the efficiency of the armed forces.

Another 450 would be taken from "discretionary expenditures," in other words, those which have an effect on the efficiency of an army and which are supposed to be used for purchasing aircraft, ships, guns, as well as manpower training. But the whole thing fell apart when BILANDIFE decided on the proportions of the cuts. Here was the line of reasoning: Since the entire defense budget is divided by allocating 46 percent of the funds to the army, 36 percent to the air force and 22 percent to the navy, the 450 billion would have to be divided up in that proportion. So, there would be 175 billion less for the army (46 percent of the amount), 153 billion less for the air force, and 122 billion less for the navy. Umberto Cappuzzo, the bubbly army chief of staff, immediately responded with an entirely opposite idea: The biggest sacrifice would have to be imposed not upon the service that keeps 260,000 men under arms, such as the army itself, but rather upon the navy and the air force which burn up billions purchasing new technologies. The people at

BILANDIFE countered rather sharply among other things by noting that the army can save at least 200 billion per year if it decides to reduce its manpower strength to 180,000.

The final argument was tailor-made to impress those who, like Spadolini, are alert to efficiency in spending: While the sailors and the aviators purchase their weapons in Italy, the army procures heavy war materiel abroad.

5058  
CSO: 3528/3

## VIEWS OF DEFENSE STATE SECRETARY HOEKZEMA ON CUTS

Amsterdam ELSEVIERS MAGAZINE in Dutch 3 Sep 83 pp 92-93

[Article by W.G.J. Bavelaar: "State Secretary Hoekzema: "We Will Rake those Savings in Somehow"]

[Text] The VVD [People's Party for Freedom and Democracy] is very pleased with the state secretary for defense personnel. The military interest groups are very unhappy with him. A portrait of Willem Hoekzema.

Mid-November 1982. The mayor of Coevorden did not even need a 24 hour period for consideration before saying "yes" to the urgent appeal made by parliamentary party leader Ed Nijpels to take over the recently vacated position of state secretary for defense. But Willem Klaas Hoekzema, who since 1975 has been the first citizen of this locality in the province of Drenthe, had imagined a different career for himself. He was a serious candidate for the mayoral office in Haarlemmermeer. However, the country's interests required that this position be lost for the VVD. In the end, Hans de Boer, a loyalist within the CDA [Christian Democratic Appeal], was appointed there and Hoekzema is working at 4, Plein in the Hague as personnel chief over 130,000 military and civilian personnel in the armed forces.

This was a great relief for the VVD, which had been seriously embarrassed by the fact that former NOS [Netherlands Broadcasting Foundation] reporter Charl Schwietert performed his duties for a period of 3 days. With Hoekzema as a credible replacement, the rumors surrounding the party soon died down. The new man was a genuine doctoral candidate (in economics), had been a member -- and committee member -- of the VVD for years, and had made it to reserve officer (first lieutenant) in the infantry.

Next, the reaction of the military interest groups was cautiously positive. "We don't know him, but he is in any case someone with the necessary managerial experience," they said after the appointment. Hoekzema enjoyed the benefit of the doubt. His loyalty to the defense apparatus was in any case sound. In his municipality he was the driving force behind the establishment of the NATO ammunitions depot. Against the express wishes of the provincial administration of Drenthe he nevertheless succeeded in getting the controversial depot within his municipal borders. As a matter of fact, it was not so much a predominantly political-military interest which motivated his zeal, but primarily the new jobs with the Americans. "He is not only a good manager, but

also a fighter," commented an alderman from Coevorden at the time of the mayor's leave-taking.

Hoekzema was born in Groningen (1939); his father was a butcher in Bedum. He attended high school in the city of Groningen and, next, attended the state university there. Following his final exams for a degree in 1967, he studied for a year in "Luns' little class" for a position in the foreign service, but chose the job of economics teacher at the Dalton schools in the Hague, entered into service as deputy secretary of the Central Chamber of Trade Promotion, taught again until 1975 in Tiel, and that same year was called to Coevorden.

In politics, he did municipal council work in Rhenen (Utrecht), was VVD faction president there, functioned for a while as member of the Provincial States in the province of Utrecht, was a member of the party leadership of the VVD and president of the Drenthe section within that party. In short, a career which could be characterized as "bright."

The step from small town and province to the Hague was big, but could be bridged. In relative silence, the new official spent the first months of his deputy ministership trying to become acquainted with the defense apparatus. And he decided, partly because of the insistence of the cabinet, finally to settle the question surrounding health costs insurance for military personnel -- which had been dragging before his time -- satisfactorily. This matter had been on the agenda of the regular consultations with the military interest groups since 1973. And the groups always managed to postpone this decision which is so painful for their members.

What is involved in this conflict -- as a result of which Hoekzema has suddenly made the front page of the newspapers and the interest groups have proceeded with hitherto unknown work to rule actions -- is the elimination of financial privileges, specifically for the lower level professional servicemen. They are still entitled to free health insurance for the members of their families. Servicemen with an income higher than the health insurance limit are compensated for this co-insurance, those with lower salaries do not pay anything for health insurance for their wife and children. An advantage which can no longer be defended in the context of the philosophy that what is sauce for the goose is sauce for the (civil servants) gander.

This conviction has been around for 10 years, but with the current retrenchment policy it will finally have to be turned into hard cash. Hoekzema had to take care of it. Intended savings: 22 million guilders. This is a moderate amount in the context of the department's billion guilder operation, but worth the risk of a confrontation primarily because of the principle involved ("sauce for the goose").

Consequently, the originally benevolent attitude of the professional organizations toward the new official has been reversed. The expression of dissatisfaction came in actions, which many people referred to as "premature," such as the one last week at the Leeuwarden air base.

Premature, because the state secretary had just come up with proposals to lessen the pain specifically for those with the lowest incomes. Elimination of

this virtually archaic advantage for this category of professional servicemen would mean a net income loss of 150 to 200 guilders per month. That is painful. "If you equalize everything, then this would indeed be a heavy blow in purchasing power for those with the lowest incomes. This is why we wanted to do something. There is a 43 million guilder pot for overtime compensation, which we decided to divide in such a way that all those who are being docked, with or without overtime, will be somewhat compensated. But the interest organizations have rejected discussions on this point," said Hoekzema.

The preference situation, which has existed for years, has lasted long enough; now they must say "stop." The differences with other government workers are becoming too great. The angry unions accuse the state secretary of having failed to make a sound comparison between the task of military and civilian personnel within the armed forces. Servicemen can be transferred from one day to the next, they have to drill and have to do guard duty. And this should be offset by something.

As a matter of fact, in practice such inconveniences are already translated respectably in the wage scales. Dating from a period when it was difficult to recruit professional personnel, the salaries could be called accomodating. This is why the work to rule actions, such as the one in Leeuwarden, seemed rather exaggerated. Accordingly, Hoekzema is not much impressed by the grumbling. "My actions are in no way influenced by the actions. I had introduced a pause for breath in order to look at the matter once again; my fellow workers studied modalities, but actions were carried out anyhow. Servicemen also have financial problems. And they have known for years that the health insurance issue had to be discussed. In 1982 it was decided that the Ministry of Defense would have to put 25 million guilders on the table, going up to 50 million guilders by 1985. Hence today's administration is producing less. Whatever the case may be, the amount of 22 million guilders will definitely have to be put on the table."

In his as yet short career as state secretary, the mayor has learned from experience that negotiations with interest groups will not go without a hitch. The organizations are also involved with the rank and file. This does occasionally create tensions which come to the fore during consultations of the members. If this leads to the abandoning of an already established point of view, then this is, as Hoekzema put it, "a pretty sad affair." He dismisses the often reported argument that he refuses to order a "package comparison" between the functions of servicemen and of civilian personnel. "In 1973 there was no question of package comparisons. At that time it was nothing more than a matter of justice with regard to other groups of government employees. Moreover, I have promised in a previous talk that I will not avoid this fundamental discussion." The state secretary does not lie awake because of the manner in which the actions were carried out. Meanwhile, the conflict has once again been referred to the regular negotiations. "The actions were carried out in an orderly manner, NATO exercises were not harmed." New negotiations will take place in the coming weeks, during which some compromise may be possible on details, without for all that abandoning the basic premise -- the removal of advantages and some savings.



Hoekzema says that he wants to complete his predecessors' homework. This also includes the equally hard question of the somewhat too splendid retirement policy for professional servicemen. Instead of being able to take advantage of functional early retirement at the age of 55, servicemen with the Royal Land Forces and the Royal Air Force will have to wait until they are 58 years old. In the Royal Navy, retirement age is reached at 50 years. But this will have to go up, with an intermediary step at the age of 52. Complicated regulations are being worked out to lead this early retirement into acceptable channels.

After these jobs, the state secretary also wants to display something of a personal policy. However difficult it may be to carry out any part of a liberal policy in the Ministry of Defense. "This is not a portfolio with an explicit political coloring. As a VVD official, I do however want to express my appreciation for the military civil servants. If you show that you judge their task in society as a very positive one, then you are already engaging in politics."

The approximately 50,000 conscripts also come under the jurisdiction of the state secretary for personnel policy. He has observed that the willingness to do military service has increased. "Because of the progressing technical development in our armed forces, it would be possible to think about variable service periods. Conscripts who are given a technical function could serve a little longer. With the advantage that, because of the experience they have acquired, they could improve their starting position in civilian society. Others who, because of automation, have to perform simple duties could be allowed to serve somewhat shorter periods. It is a complicated business, but interesting enough. Therefore I have set up a steering group to study this problem." An initiative with which he did not make the front pages. Which he says he does not aspire to either. "I have a rather businesslike, managerial constitution. I simply do not reason from the premise: what am I going to do to make myself look good?"

Even though his political profile is as yet limited, and he is virtually not written about in terms of his military plans, he is officially valued because of the ease with which he has absorbed the material. Problems such as the NATO alliance, the Warsaw Pact, and cruise missiles are reserved for his boss Job de Ruiter and Minister of Foreign Affairs Van den Broeck. Hoekzema sees himself primarily as chief of personnel for three large companies. Yet, when asked he does express an opinion on topical defense problems which seem to have gotten away from party manifestos. "The Netherlands must remain credible in keeping the scourge of war at bay. This means that we must have the same resources at our disposal as the potential opponent in order to hold an equivalent position in the negotiations to achieve arms control." Guarded words from a state secretary who will have to keep his powder dry, both politically and militarily, but who is still far from being at the end of his tether with regard to his personnel.

8463

CSO: 3614/137

## GOVERNMENT APPROVES TRAINING OF DANISH, NORWEGIAN PILOTS

Stockholm DAGENS NYHETER in Swedish 17 Sep 83 p 10

[Article by Ingemar Loftren: "NATO Pilots Can Receive Swedish Training"]

[Text] NATO pilots from Denmark and Norway can in little over a year from now receive flight training in Sweden at F 7 [Skaraborg's Flight Flotilla] in Satenas.

The government has said yes to the pilots receiving training on the Hercules simulator, which the Swedish Air Force ordered from the United States for 62 million kroner.

"The government had no problem in coming to the decision," Lieutenant Colonel Lars Alveskog in the International Department of the Ministry of Defense told DAGENS NYHETER. There was never any need to question whether this could be viewed as a non-neutral action, as the Hercules aircraft is absolutely a transport aircraft that is to be found all over the world.

Some years ago, the Swedish Air Force ordered a flight training simulator for TP 84, the so-called Hercules aircraft, from the American Singer Company. The cost was 62 million kroner.

The purpose of the simulator is mainly to cut down costly flight time and replace it with cheaper training on the ground.

The simulator will be delivered to the wing in Satenas in Lidkoping. It will be put into use in the spring of 1985.

Last month [August] the Air Force received an inquiry from the NATO countries Norway and Denmark about whether their Hercules pilots could also receive training in Satenas.

The request was sent to the government, which answered yes.

The Swedish Air Staff is very pleased with the decision. It means, among other things, income which will help to cover the cost of the simulator. Soon the offers about prices and terms will be submitted to our colleagues in Denmark and Norway.

Belong to NATO

If the parties come to terms, the plan is for nine Norwegian crews and six Danish crews to come to Sweden once a year for training. Each crew consists of three to four men.

The Norwegian and Danish Hercules pilots have had previous training in the United States and Canada just like the Swedish Hercules pilots. Their argument has been that they do not want to travel all the way to the United States for training.

It is of no concern to the Swedish National Defense that the pilots from Denmark and Norway are part of NATO.

"There are no security problems," Lieutenant Commander Michael von Rosen of the Swedish Air Staff told DAGENS NYHETER. It is about the same as inviting Norwegians to come here who want to learn how to drive a truck.

The Hercules simulator will be installed immediately into the existing Viggen simulator at Satenas--a simulator that has many details and parts that are clearly of a secret nature.

"It is obvious that the foreign pilots will not be allowed to come near it. The Viggens simulator is well guarded. Besides, we will isolate the pilots in the area designated to them," says Lars Alveskog from the Defense Department.

9583

CSO: 3650/300

## RESTRICTIONS ON PAYING OVERTIME AFFECTS SUB HUNTING

Stockholm DAGENS NYHETER in Swedish 22 Sep 83 p 6

[Article: "Submarine Hunt During Office Hours"]

[Text] The next unknown submarine must visit Swedish waters during office hours. Otherwise there is the risk that the Swedish National Defense cannot conduct any search.

"The total overtime for the officer corps has increased dramatically recently," Jan Olof Persson, spokesman for the Officers Association of KA 5 [Coast Artillery Regiment 5] in Harnosand, tells TT [Newspapers' Telegram Bureau]. "Soon we won't have any officers to send out during submarine incidents in Norrland."

The Officers Association has already forbidden Major Tryggve Kallin of KA 5 to collect more overtime. He reached the limit for the allowed overtime--200 hours--during the submarine hunt outside Sundsvall this summer.

After negotiations failed between the union and commanding officer Bertil Daggfelt about increased time off, the major was sent home. And this was despite the fact that at the time there was a state of intensified watch and preparedness for search operations in the area.

"During the current activities we cannot fight both enemies and the union," says Commander Bertil Daggfelt.

What the main conflict is all about is the recent preparedness and incident agreement that was established on a trial basis. It came about, among other things, because of the many submarine incidents, and the agreement gives the officers right to take their overtime in extra time off.

9583

CSO: 3650/300

## PAPER DEMANDS CHANGING RULES ON OVERTIME FOR SUB HUNTERS

Stockholm DAGENS NYHETER in Swedish 23 Sep 83 p 2

[Editorial by Carin Stenstrom: "On the Verge of Sabotage"]

[Text] It is on the verge of sabotage when the Officers Association interferes in the submarine hunt and sends home members, lest they otherwise earn too much overtime. The credibility of neutrality has already received its thorns; is it also to be made worse--or ruined--by the military wanting to serve only during regular working hours?

If one has chosen the military as a profession, one is also quite likely aware of the fact that military service poses other demands than those that apply in the other working sector. The defense of the borders obviously comes before wage and time-off demands. The behavior of the Officers Association is painful with regard to the world around us and demoralizing for defense purposes. The rules for taking off for overtime must be changed so that they do not obstruct the possibilities for effective defense efforts. Either voluntarily or by legislation.

9583

CSO: 3650/300

## ANKARA SELECTS F-16 FOR COPRODUCTION WITH UNITED STATES

Istanbul CUMHURIYET in Turkish 8 Sep 83 pp 1, 11

[Article by Sedat Ergin: "One-Trillion-Lira Decision: F-16"; technical specifications of aircraft omitted]

[Excerpt] Ankara--Turkey has made an "historic" decision to purchase aircraft that will reverberate for 40 years to come. General Dynamics' F-16 airplane was chosen as the type of aircraft to be produced in Turkey in partnership with the United States. The "top level" decision, adopted early this week in Ankara, has been reported to the U.S. Government. In making its decision, Ankara turned down Northrop, builder of the F-18 and a major competitor of General Dynamics, for the aircraft project.

Reports that Ankara had made General Dynamics its final choice were confirmed yesterday by both Turkish and U.S. officials. Though the decision has been conveyed to the U.S. Government, it is not yet clear when Ankara will make the official announcement. The decision as to establishing an aircraft industry in Turkey and choosing the type of aircraft for joint production had been discussed in top level meetings for the past week. Following a discussion last week at a meeting of the Council of Ministers, the National Security Council, excluding President Kenan Evren, was briefed. Two day ago (Monday), all details were reviewed in a briefing attended by President Evren. The decision which came out of the briefing was to opt for the F-16. The National Defense Ministry announced this decision yesterday. The ministry's announcement reads: "The lengthy studies on modernization of the Turkish air forces have been concluded, and the official initiative to the U.S. administration was made on 6 September 1983 as regards the joint assembly and manufacture of F-16 c/d fighter bomber aircraft in Turkey through Turkish-American cooperation. It is estimated that contacts and endeavors in this regard will take three months."

Once the top-level decision was made, Defense Minister Haluk Bayulken invited U.S. Ambassador to Ankara Robert Strauzs-Hupe to his office night before last and informed him of Ankara's decision for conveyance to his government. The ambassador has reportedly forwarded Ankara's decision to Washington.

The decision on the type of aircraft concludes almost 3 years of studies to choose the type of aircraft to be manufactured in Turkey.

The decision, which went through a number of stages during which authorities occasionally "gave up hope," has "vital" implications for Turkey. The major reason for this is the impact it will have on Turkey's defense, specifying the aircraft that will serve the Turkish Air Force until the first quarter of the 21st century. A second reason is the impact this "giant" project, which will exceed \$4 billion (approximately 1 trillion Turkish liras), will have on the Turkish economy. Another important reason has to do with the impact which Turkey's decision to launch a joint aircraft industry with the United States will have on Turkish-U.S. relations.

#### \$4.2 Billion

A major factor in the choice of the F-16 is reportedly cost-related. There was a difference of almost \$1 billion between the bid by the F-16 manufacturer, General Dynamics, and the rival bid by Northrop, builder of the F-18. General Dynamics' bid, at present figures, envisages a total cost of \$4.2 billion over a 10-year period. Approximately \$2.5 billion of this cost will be covered by FMS (Foreign Military Sales) credits to be supplied by the U.S. Government. The U.S. administration has agreed to supply FMS credits in the sum of \$250 million annually starting with fiscal year 1984.

Now that the type of aircraft has been decided upon, a series of discussions with U.S. officials is expected to be held in the next few days in this regard.

#### Ministry Announcement

It was announced, according to a NATIONAL PRESS AGENCY report, that the letters sent to the minister of defense by two cabinet members in America about the fighter aircraft being considered for building in Turkey were for informational purposes.

An announcement made yesterday by the secretariat general of the Ministry of National Defense in response to an article about the letters published in the latest issue of the weekly magazine NOKTA said it had been learned in contacts with ministry officials that U.S. Secretary of the Air Force Orr and Secretary of the Navy Lehman had each sent letters to Minister of National Defense Haluk Bayulken in August and that the ministry had not replied to these letters in any way.

The statement reads:

"It is understood that Air Force Secretary Orr's letter provided information on the various capabilities of the F-16 aircraft in the American Air Force inventory and that Navy Secretary Lehman's provided information on the capabilities and hazards of the F-18, which is used in the American Navy.

"It was pointed out by National Defense Ministry officials that, although publication of official correspondence is not standard procedure, the content of the letters parallels information which has appeared in the press.

"It was stated that receipt by the ministry of official correspondence in this and similar forms on all topics is normal and that the component services of the ministry utilize them as a form of 'data collection.' It was learned also that no reply of any kind was made to these letters."